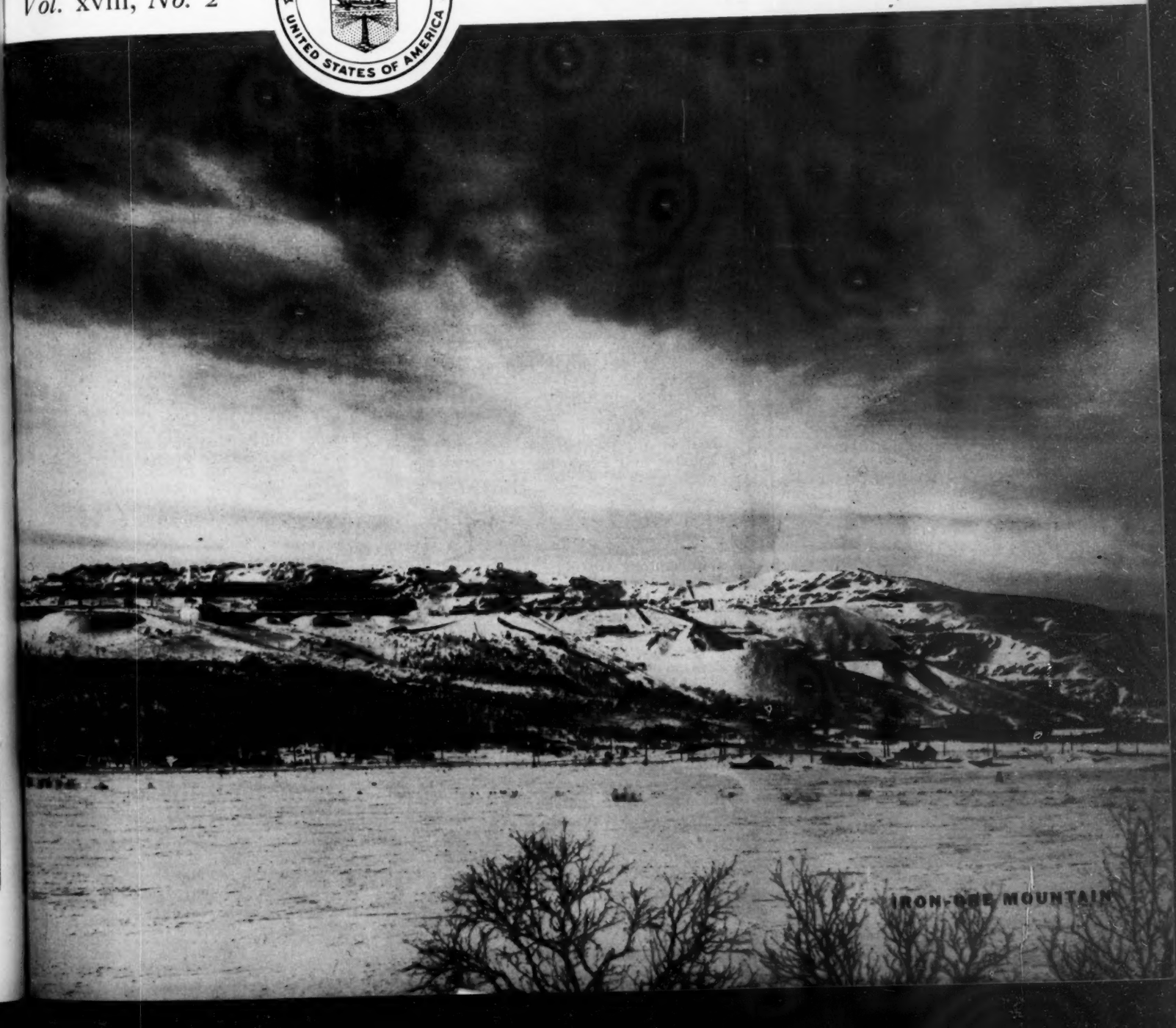
JAN 10 '45

PERIODICAL ROOM
GENERAL LIBRARY
UNIV. OF MICH.

Foreign Commerce WEEKLY

Vol. XVIII, *No.* 2

January 6, 1945



Foreign Commerce Weekly

Foreign Commerce Weekly is the official medium of the Department of Commerce for the dissemination of commercial and industrial information gathered throughout the world by the Foreign Service of the United States, and obtained from other sources.

Issued by the UNITED STATES DEPARTMENT OF COMMERCE, JESSE H. JONES, *Secretary*

THIS WEEK

The I. A. D. C. Now 3
Sweden's Unique Iron Ore Position 4
Near East Sends Us Many Fragrant Oils 9
Canada's Balance of International Payments 11
Tobacco in Venezuela 12
Classification Changes in Export Statistics 13

DEPARTMENT OF COMMERCE
FIELD SERVICE

Atlanta 3, Ga., 603 Rhodes Bldg.
Boston 9, Mass., 1800 Customhouse.
Buffalo 3, N. Y., 242 Federal Bldg.
Charleston 3, S. C., Chamber of Commerce Bldg.
Chicago 4, Ill., 357 U. S. Courthouse.
Cincinnati 2, Ohio, Chamber of Commerce.
Cleveland 14, Ohio, 750 Union Commerce Bldg.
Dallas 2, Tex., Chamber of Commerce Bldg.
Denver 2, Colo., 566 Customhouse.
Detroit 26, Mich., 1018 New Federal Bldg.
Houston 14, Tex., 603 Federal Office Bldg.
Jacksonville 1, Fla., 425 Federal Bldg.
Kansas City 6, Mo., 724 Dwight Bldg.
Los Angeles 12, Calif., 1540 U. S. Post Office and Courthouse.
Memphis 3, Tenn., 229 Federal Bldg.
Minneapolis 1, Minn., 201 Federal Office Bldg.
New Orleans 12, La., 408 Maritime Bldg.
New York 18, N. Y., 17th Floor, 130 W. 42d St.
Philadelphia 2, Pa., 1510 Chestnut St.
Pittsburgh 19, Pa., 1013 New Federal Bldg.
Portland 4, Oreg., Room 313, 520 S. W. Morrison St.
Richmond 19, Va., Room 2, Mezzanine, 801 E. Broad St.
St. Louis 1, Mo., 107 New Federal Bldg.
San Francisco 11, Calif., 307 Customhouse.
Savannah, Ga., 403 U. S. Post Office and Courthouse Bldg.
Seattle 4, Wash., 809 Federal Office Bldg.

News by COUNTRIES

Bolivia 18
Brazil 18
Canada 18
Cuba 18
French West Africa 19
Italy 20
Middle East 20
Panama 21
Peru 21
Portugal 21
Spain 21
Switzerland 21
Uruguay 21
Venezuela 21

News by COMMODITIES

Automotive Products 26
Beverages 26
Chemicals 26
Coal, Coke, and Fuel Gases 27
Construction 27
Electrical Machinery and Equipment 27
Foodstuffs and Allied Products 27
Hardware 29
Iron and Steel 29
Leather and Related Products 30
Lumber and Products 30
Medicinals and Crude Drugs 31
Metals and Minerals 31
Oils, Fats, and Oilseeds 32
Paper and Related Products 32
Petroleum and Products 32
Radio and Telegraph 33
Rubber and Products 34
Soaps, Toiletries, and Essential Oils 34
Textiles and Related Products 34
Tobacco and Related Products 35

REGULAR DEPARTMENTS

Late Airgrams 16
Contributor's Column 42
Export Control and Related Announcements 36
New Books and Reports 41
Latin-American Exchange Rates 39
Trade Lists 41
Pertinent Comments on World Economy Today 19
Trade-Mark Applications 40

Annual Subscription: Domestic, $6.00; Foreign, $8.75; Single copy, 15 cents. Make remittances payable to the Superintendent of Documents and mail direct to that official, Government Printing Office, Washington 25, D. C.

Note—Contents of this publication are not copyrighted and may be reprinted freely. Mention of source will be appreciated.

The Department of Commerce is not responsible for material obtained from other than Government sources.

PUBLISHED WITH THE APPROVAL OF THE DIRECTOR OF THE BUDGET (42 J. C. P.)

The I. A. D. C. Now

Accomplishments and Aspirations of the Inter-American Development Commission, New Instrument of Hemisphere Advancement

By J. Rafael Oreamuno, *Vice Chairman, Inter-American Development Commission*

THE NATIONS OF AMERICA are turning their attention to the difficult economic problems ahead. Businessmen, manufacturers, foreign traders and many others are seeking to determine the future trends of Western Hemisphere trade and industry. The future of inter-American economic relations is an integral part of plans now being made to increase post-war business. And one of the most pertinent questions being asked is: Will inter-American economic cooperation, which has been so fruitful in wartime, be extended to peacetime?

Answers to this and many other questions are being found in part in the cooperation and activities of the Inter-American Development Commission and its network of affiliated national Commissions in all of the 21 American republics.

Novel Instrumentality

The Inter-American Development Commission, established in Washington, and its 21 national Commissions form a novel international organization through which business and government have been brought into collaboration on economic and industrial problems. The organization was created by the coordinated efforts of all of the American republics. It is an instrumentality for their joint action in promoting and assisting industrialization through the utilization of natural resources, thereby contributing to the raising of living standards.

The parent Commission and the 21 Commissions of Inter-American Development recognize the importance to the national economies of the Americas of a free flow of trade between them. To promote this objective they seek the adoption of more liberal trade policies through the lowering of tariff barriers and the elimination of other practices which obstruct international trade and stifle competition.

Keynote of the System

Development of hemisphere resources and industry is the keynote of the system of Commissions of Inter-American Development. The Commissions recommend that this development be carried out by private enterprise where possible and that governmental regulation of private enterprise not be exercised beyond the degree necessary to protect the public interest.

While the Inter-American Development Commission is not a financing agency, one of its major aims is to encourage joint investment of United States and Latin American capital in industrial expansion and new enterprises.

Since its organization in June 1940, the parent Inter-American Development Commission in Washington, in cooperation with its affiliated national Commissions, has served as a clearing house for business information. When requested, it has acted in an advisory capacity to private business and governmental agencies.

Specific Activities

Some of the activities of the Commissions include bringing together of interested parties and assisting toward the establishment of a cashew-nut-oil factory in Brazil, a pencil factory in Argentina, construction of additional milk-pasteurization plants in Colombia, and preparation of plans for a chemical salt byproducts industry in Colombia and for an aluminum plant in Brazil.

Other projects similarly assisted include: Cost estimates for a plywood plant in Brazil; experiments designed to lead to the construction of a babassu-nut-oil plant in Brazil; negotiations by Chilean bread producers with United States manufacturers for equipment and materials for enriching the vitamin content of their products; studies of silk and industrial diamond production in Brazil, and others.

The Technical Office of the Inter-American Development Commission cooperates in many projects, prepares technical reports for the national Commissions or their governments, and assists in making arrangements for the sending of technical missions to the other republics.

Consultation and Assistance

Through collaboration of the Joint Committee on Inter-American Engineering Cooperation, the Inter-American Development Commission consults with outstanding authorities in the various fields of civil, mechanical, chemical, mining, and electrical engineering. This Committee was organized for that purpose by five of the leading engineering societies of the United States.

Engineering assistance such as the selection of mining engineers for work in Bolivia, Brazil, and Peru, and of industrial engineers for Mexico and other American republics, to cooperate in planning developments, has been provided by the Inter-American Development Commission on request. For example, an industrial engineer has been sent to work in collaboration with Colombian engineers in the making of a preliminary industrial survey of Colombia. Arrangements for the survey were made through the Colombian Commission of Inter-American Development by the Instituto de Fomento Industrial of Colombia.

To assist Paraguay in making a technical survey of its leather, vegetable-oils, and lumber industries, the Inter-American Development Commission has furnished that country with a technical mission. Specialists in these various industries were requested through the Paraguayan Commission of Inter-American Development by the Ministry of Industry and Commerce of Paraguay.

At the request of its national Commission in Ecuador and of the Ecuadoran Minister of Finance for assistance in an agricultural improvement and expansion program, the Inter-American Development Commission has sent an agricultural technical mission to Ecuador.

In cooperation with the Brazilian Commission of Inter-American Development, the parent Commission has arranged for a technical mission of six prominent professors and engineers from Brazil to come to the United States to study the organization and methods in leading technical institutions and observe actual working conditions in modern industrial plants.

In furtherance of industrial accident prevention and other safety programs throughout the other Americas, the Commissions of Inter-American Development are actively cooperating with the Inter-American Safety Council. The parent Commission also is collaborating with the American Standards Association

(Continued on p. 38)

Sweden's Unique Iron-Ore Position

By R. P. DONOGH, *European Unit,* and D. B. STOUGH, *Metals and Minerals Unit, Bureau of Foreign and Domestic Commerce*

THE RECENT ANNOUNCEMENT of stoppage if iron-ore exports from Sweden to Germany calls attention to the unique position which the ore deposits of the former country have occupied through the last 600 years. They were an important factor in making Sweden one of the great powers of Europe in the seventeenth century, and credit for a goodly share of English steel preeminence in the nineteenth century may be attributed to these ores. So far in the twentieth century, Germany has depended heavily on Swedish ores for steel manufactures, and it is entirely possible that the United States may show an interest in them before another quarter century has passed. At a time when the great deposits of high-grade ores on the Mesabi range in the United States show signs of being depleted, foreign ores are beginning to attract more and more attention from our steel manufacturers.

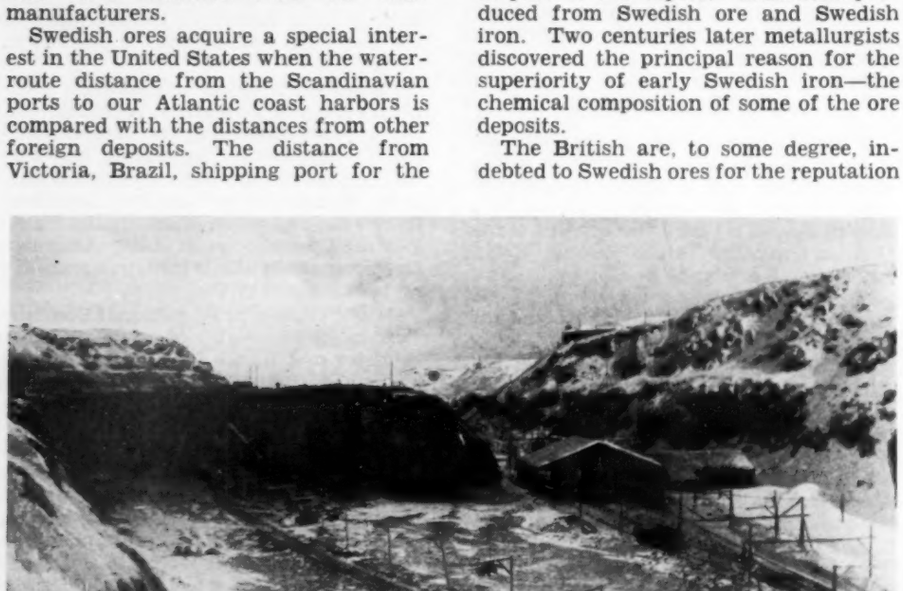
Swedish ores acquire a special interest in the United States when the water-route distance from the Scandinavian ports to our Atlantic coast harbors is compared with the distances from other foreign deposits. The distance from Victoria, Brazil, shipping port for the huge Minas Gerais ore fields, to our Atlantic coast centers is several hundred miles greater than the distance from Narvik, Norway, Atlantic shipping port for Swedish ores.

The early preeminence of Sweden's iron manufacture and its present reputation for high-quality steel are based primarily on the unique quality of some of its ores, and secondarily on its reliance on charcoal (owing to lack of coking coal), as well as on the skill of its metallurgists. The military successes of Gustavus Adolphus in the first half of the seventeenth century were attributed in part to the superior munitions produced from Swedish ore and Swedish iron. Two centuries later metallurgists discovered the principal reason for the superiority of early Swedish iron—the chemical composition of some of the ore deposits.

The British are, to some degree, indebted to Swedish ores for the reputation of Sheffield steel. Prior to the development of the Bessemer and Thomas processes during the nineteenth century, the benefit obtained from the use of these ores was far greater than it is today, although the advantage of producing high-grade iron on a comparatively low fuel consumption remains of value to countries which have no large supply of coking coal. Sweden has no deposits of good coal, and only in comparatively recent years has a part of the Swedish iron and steel industry been converted to the use of imported coal instead of the traditional charcoal. This reliance on charcoal instead of coal, and the presence of a sufficient amount of high-grade ore to supply its own industries have accounted for Sweden's prominence in the high-grade steel market rather than in the quantity production of commercial steel.

Because of the unique quality of Central Sweden's limited iron-ore deposits from which most of the country's high-quality steel is made, the Swedes are reluctant to have these ores exported. Despite certain limiting measures, large amounts of both high- and low-phosphorous ore have been exported from Central Sweden during the war period, along with quantities from the huge deposits of high-phosphorous ores found in northern Sweden and Lapland and exported through Luleå,[1] as well as through Narvik in Norway. It is estimated that more than three-fourths of the ore tonnage taken from the Central Sweden field in the last 5 years has been exported. Of course, this was not all high-grade low-phosphorous ore, as the analysis of the deposits in these fields shows a wide range of phosphorus, as well as some iron-alloying elements, such as manganese and vanadium.

Although the Lapland mining region has been active during the war years, its rate of operation apparently has been below the pre-war figures, whereas the Central Sweden field at least maintained its pre-war level of about 4,000,000 tons per year through 1943.



Copyright A. B. Text & Bilder, Stockholm

General view of iron-ore mining in Luossavaara, Sweden. The mining can practically be done above ground, as the lodes are to be found at the surface of the mountain.

[1] Ordinarily (for reasons that need not here be cited) FOREIGN COMMERCE WEEKLY does *not* use accent marks on geographic names. But in this particular article such diacritical marks are retained throughout, in deference to the authors' desires and in recognition of the fact that in the Swedish language the accents are in general an integral part of the word and affect its pronunciation very decidedly.

The tremendous increase in sales of Swedish ores abroad is shown in a comparison of 1918 production and export figures with those of 1937. In 1918, production totaled 6,623,661 metric tons and exports were 4,463,760 tons, compared with a production in 1937 of 14,952,549 tons and exports of 13,768,209 tons.

Evidence of the early reputation of iron ores of Central Sweden is found in many old publications. Writing in 1850, a British expert on steel stated, concerning Sheffield cutlery and Swedish ore:

> British iron is used frequently, but we are indebted to foreign mines for the best we obtain and for that which is particularly selected for the best kinds of steel goods. The Swedish iron is the superior kind, and among the mines of that country there is one which is unrivaled for the production of iron better fitted for conversion to steel than has hitherto been discovered elsewhere. This is the famous mine of Dannemora, which having been originally monopolized by the King of Sweden, and then by the Archbishop of Upsala, is now shared among several proprietors. It yields every year about four thousand tons of iron, which sells for double the price obtained by the very best product of the Russian mines. Sheffield obtains by far the largest share of this valuable ore, and converts it into steel.

Progressive Development

The ores on which Sweden's iron and steel industry was founded were lake and bog ores (limonites) in the southern part of the country. These no longer have economic importance as a source of iron, though their utilization did not cease until 1936.

The mining of hard ores began about the end of the twelfth century, probably at Norberg, and the Dannemora mines are known to have been worked in 1488. Early mining was by open methods, but underground operations have been carried on for centuries, even though first methods were crude. Water power was utilized for pumping before steam became available. Hoists at first were hand-operated, later a reversing device was invented, utilizing two water wheels on the same shaft, with buckets set to give rotation in opposite directions. By diverting water from one wheel to another the hoist could be retarded or reversed. Cables were made of strips of oxhide, then of hemp, later of chain, which in turn was succeeded by iron-wire cable and then steel cable.

The use of steam and, later, of electricity, made it possible to deepen workings materially. By 1935 the Marnäs mine (Västra Ormberg field, Kopparberg County, near Grängesberg) had reached a depth of 586 meters (1,920 ft.), while deep workings in Öreboro County included: Ställberg field, 500 meters (1,640 ft.); Dalkarlsberg field, 439 meters (1,440 ft.); and Åsboberg mine, 425 meters (1,394 ft.). One mine already has reached a depth of 670 meters (2,198 ft.). The new (1941) hoist at the main shaft at Grängesberg is designed for a depth of 660 meters and can be altered to raise 4,000,000 metric tons per year from a depth of 1,000 meters. The Ställberg hoist can be altered from the present 700-meter capacity to one of 1,200 meters.

Courtesy American-Swedish News Exchange

Mine workers, Kiruna.

The high-grade Swedish steels provide excellent drill bits. The machine industry of the country is in a position to supply all kinds of mining equipment of most modern design. The Swedish invention of dynamite has proved invaluable to the mining industry. Where timbering is required, the local forests provide ample material for the purpose, though the structure of the ore-bearing rock does not make much support necessary. Cable conveyors of Swedish make are used extensively in ore transportation.

The prominent place which Sweden has held in the field of hydroelectric development and the extensive resources of water power in that country have led to almost complete electrification of mining. The mines of Sweden were equipped in 1939 with a total of 151,863 horsepower for various mechanical operations (not including generation of electrical energy) and of this 150,427 hp. was in electric motors.

Mine surveying and mapping have been given particular attention in Sweden since 1629. Magnetic prospecting methods were employed before 1640, and Sweden has been prominent in the development and use of electric, seismic, and gravimetric methods of ore detection and in ore location by diamond drilling.

Concentration of Ores

The relatively low iron content of the material raised from the Central Swedish mines has led to wide recourse to separation and concentration, from early times, and methods of crushing ore, with subsequent wet mechanical separation, were described in 1556. The earliest application on a considerable scale in Sweden seems to have been in 1820.

Magnetic methods began to be applied about 1850 and a Swedish method (the Wennström) was introduced in 1885, and the Gröndal process, particularly suited to Swedish ores, dates from 1896. During the 1930's improved methods, including that of Bring, made a higher degree of concentration by magnetic means practical.

Flotation concentration began in Sweden in 1908, using oils. With the use of xanthates the process increased in importance. It is now being applied to advantage on Swedish hematite ores, and is particularly valuable in separating apatite (on which the domestic phosphate and phosphorous industry is based) from ores of low iron content, at Grängesberg, in Central Sweden, and at Vitåfors (Malmberget) in Lapland.

For many years the schlich (concentrate in powdered form) has been briqueted, by drying and pressing, often with a binder, or has been sintered. The

latter method is rapidly increasing in popularity in Sweden, since the sintering not only gives the ore a lump form suitable for blast-furnace charging, but also removes much of the sulfur content, thus saving fuel in the reduction process.

Governmental Supervision

Mining has been under systematic government supervision in Sweden since 1630, when the Mines Office was established by Gustavus Vasa. In 1649 the name of this bureau was changed to Board of Mines (Bergskollegium). The authority is at present the Mines Bureau (Bergsbyrån) of the Board of Trade (Kommerskollegium). The country is divided into four mining districts, each under a Superintendent of Mines (Bergmästare).

Mining law has changed frequently. The present law is that of June 3, 1938, which became effective on January 1, 1940. It does not permit prospecting by foreigners. Swedish citizens can obtain prospecting permits (mutsedel) for various metals and certain other minerals, for specific sites of 200 square meters area, the boundaries descending vertically. If a workable deposit is found, the claim (utmål) can be registered, the claimant obtaining one-half of the mine, the Government appropriating the other half. Formerly, the owner of the land on which the claim was located received the half interest in the mine which now goes to the Government. The land owner now receives one and one-half times the value of the land, exclusive of the mineral deposits, plus 1 percent of the value of output for 20 years, but not exceeding 5,000 crowns per year. Under a variety of circumstances the Government can acquire or dispose of the entire claim, at its discretion. Individual claims are limited to 16 hectares (40 acres) in area, but adjacent claims can be registered by the same owner. The base concession fee is 10 crowns per year per hectare.

A law of May 30, 1916, amended June 7, 1934, prohibits the alien ownership of mines or mining shares in Sweden, except under specified conditions. The Belgian ownership of the Åmmeberg zinc mines, and foreign ownership of Koskullskulle in Lapland and of some nine iron-mining companies in Central Sweden (holding about 9 percent of the ore reserves in that region and originating about one-third of the iron-ore exports of the area in recent years) antedated the 1916 law and were excepted from its provisions and its amendment.

The Swedish Government prohibited the exportation of iron ore in 1604 and this restriction was not removed until 1857, when an export duty of 0.50 crown per 100 kilograms replaced it. This duty was halved in 1860, and removed in 1864.

At present all exports from Sweden are subject to license, and practically all exports from Lapland and part of those from Central Sweden are limited further by a contract between the Swedish Government and the principal producer, the Grängesberg Co.

Iron Mines of Central Sweden

At present the iron mines of Sweden comprise two widely separated groups—those of Central Sweden, which furnish the low-phosphorous ores on which the domestic industry is based, and from which, in normal times, the exports are composed largely of high-phosphorous ores not desired by the local industry, and the Lapland fields, north of the Arctic Circle, which yield high-phosphorous ores for export, only a small portion being of the types desired for Swedish use.

In view of the geographic location of the two mining regions and their different characteristics, they are usually considered separately.

The mining region of Central Sweden is commonly referred to as the "Bergslag" (i. e., Mine Law), a term reminiscent of the period when special law governed the mining region. Its center lies northwest of Stockholm and northeast of Lake Vänern. Its extent approximates 100 kilometers (62 miles) in northern and southern directions, and somewhat less east and west. The bulk of production is in Kopparberg, Örebro, and Västmanland counties.

There are some important deposits which are less centralized, however, such as the Dannemora mines in Uppsala County to the east, the Kantorp field in Södermanland County to the southeast of the main region, Smålands Taberg deposit in Jönköping County, some distance to the south, and the mines of Värmland County, on the western edge of the region. With few exceptions, the ores of the region occur in pre-Cambrian formations (mostly leptite) and are in the form of lenses of no great volume, dipping with the much folded country rock. At Grängesberg, masses 400 meters long and 90 meters thick, and at Stråssa, bodies 200 meters long and 110 meters thick, are encountered. Elsewhere, thicknesses of 20 meters are not rare, and the medium-size deposits run from 5 to 10 meters in thickness, and lengths vary. The Smålands Taberg deposit is, however, very large, and forms a ridge 125 meters high, 900 meters long, and half of that distance in width.

A large part of the ores are classified, in accordance with the accompanying gangue, as "torrstenar" (or dry stones) where the rock is quartz, as "engående" (or self-fluxing) where the gangue itself serves as flux, and as "blandstenar" (or blending stones) when the ore is so calciferous that it can be mixed with acid (quartz) ores to provide flux.

The torrstenar comes principally from Väastmanland and Örebro counties, the self-fluxing (engående) ores from Kopparberg and Värmland counties, and the blandstenar from Västmanland, Kopparberg, and Örebro Counties, as a rule.

Central Swedish ores may also be classified as the Grängesberg type, which is rich in apatite; the Lomberg type, of mixed hematite and magnetite, high in silica and alumina; the Striberg type, of banded quartziferous hematites with high silica; the Persberg type, magnetite, with silicates of calcium, magnesium and aluminum; and Dannemora and Långban types of mixed magnetite and hematite, with limestone and dolomite.

On the basis of analysis of the ores themselves they are classed as high-grade (low-phosphorous) and as high-phosphorous. The export ores of the Grängesberg field, of the latter class, contain about 1 percent of phosphorus in the dressed shipping ore, whereas the Dannemora and some other ores run as low as 0.003 percent phosphorous. Various other mines have intermediate phosphorous content. In 1939, in a total of 3,277,449 metric tons of Central Swedish "shipping ore," 1,246,276 tons had a phosphorous content of less than 0.1 percent.

The sulfur content of ores of the Central region varies between wide limits, in some cases falling as low as 0.002 percent, being less than 0.1 percent for many ores, and in one minor instance exceeding 1 percent in the shipping ore. In 1939 sulfur content was below 0.05 percent in 2,823,415 tons of the "shipping" ore produced.

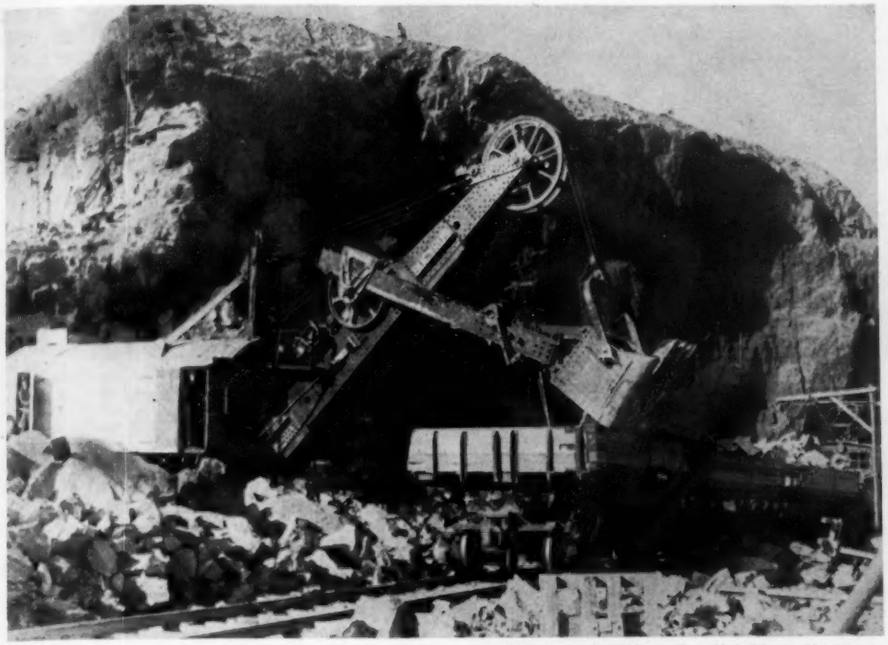
The ores of the Central region do not have a particularly high iron content. The ore considered as "for direct use" or "shipping ore" has for the most part been coarse-crushed and separated, often magnetically. Thus, from a total of 7,071,573 metric tons of material raised, 3,277,449 tons of shipping ore were separated, and 2,264,426 tons of material suitable for further concentration were obtained in 1939. It is estimated that the iron content of the shipping ores was about 1,800,000 metric tons, with an additional 680,000 tons of iron in the treated concentrates. Thus the unseparated material had an iron content of something over 35 percent, and the separated shipping ores were of more than 54 percent iron content. The amount of Central Sweden's shipping ore with an iron content of 50 percent or more was 2,553,283 tons, out of a total of 3,277,449 tons, but the high-phosphorous ores constituted much of the higher iron content tonnage.

Nonferrous Content of Ores

The apatite separated from Grängesberg ores is at present a valuable raw material for the match industry and other chemical branches. Ores from this field are said to contain considerable tin. Ores from the Bäcke mine in the Riddarhytte field (Västmanland County) and the Intrång mine (Kopparberg County) yield some copper concentrates.

Manganese and other metals, particularly those required in alloy steel, are contained in considerable amounts in Swedish iron ores and are of great value in the country, under current conditions. New sources of such metals are much sought.

Manganese is particularly important. From the Långban field (Värmland County), ore and concentrate with a content of 1,798 tons of manganese was obtained in 1939. Other ores (and concentrates), containing 3 percent manganese or more, but classed as iron ores, in that year had a manganese content of 20,938 tons. The sources of the latter were, for the ores, the Dannemora field (Uppsala County), the Nordmark mine (Värmland County), the Ställberg,



Courtesy American-Swedish News Exchange

At Kiruna, the largest iron-ore deposits in Sweden and among the richest in the world, electric shovels facilitate handling the ore.

Hagg, Bastkarn, and Nyberg fields (Örebro County), the Klackberg and old and new Kolningberg fields (Västmanland County), and the Tuna Hästberg field and the Hilläng mine (Kopparberg County), and, for the concentrates, sources were the Nyäng and Storstreck fields (Gävleborg County), as well as the Långban field.

Various other mines are important because of the manganese content of their ores. Some of these are old mines reopened during the war, including the Spexeryd field (Jönköping County), the Fröskog Parish mines (Älvsborg County) the Vikers field (Örebro County) and the Bölet field (Skaraborg County).

Many important mines yield ores with a manganese content which is below 3 percent, but still of value. These include the Stripa field (Örebro County) and others. A mine in Kopparberg County, the Stollberg, is said to contain ore yielding 7 percent to 12 percent manganese. The ore contains 40 percent iron, but also has 0.2 percent zinc and 0.3 percent lead, diminishing the value.

The Smaland Taberg mine (Jönköping County), long idle before the war, was reopened (for export) because the ore, although low in iron (30 percent) and titaniferous (7 percent), had a small content of vanadium. The Södra Ulvön mine (Västernorrland County), with only 35 percent iron and 6.6 percent titanium, was expected to produce 100,000 tons of ore in 1943, with a vanadium content of 0.4 percent. The oil shales now being exploited contain vanadium. The discovery of a valuable deposit of vanadium ore at Vaedungsfjället, not far from the Norwegian border, in Jämtland County, has been reported.

Molybdenum and tungsten also have been much sought in Sweden during the war. In Örebro County considerable quantities of tungsten ore are reported as now being extracted from the Yxsjö field (the ore contains some molybdenum) and the Hörk field is said to be yielding molybdenum ore, with some tungsten.

In the same county, the Å1 mine, in Lillehärad Parish, is expected to yield annually 90,000 tons of ore with a considerable molybdenum content. The ores of the Ikorbotten field (Kopparberg County) yield some molybdenum concentrate. In the Riddarhyttan field (Västmanland County) a pile of rejected ore from Kallefället mine is being concentrated to recover the molybdenum content (0.1 percent to 0.2 percent).

Ownership of Mines

The mines of Central Sweden may be classified also on the basis of ownership. Those in Swedish hands form two groups—the low-phosphorous and the high-phosphorous. The first group is owned largely by local steel plants, and the ores are primarily for home use, though in demand for export. The second group of Swedish-owned mines, such as the Grängesberg field, is worked largely for export, with some local demand. The third class is foreign-owned. Most of the mines yield high-phosphorous ores, and their output is exported.

In Central Sweden the mining companies in which German ownership is said to be entire or controlling are:

1. Bergverks AB. Vulcanus, Blötberget.
2. Häksberg Nya Gruv AB., Håksberg.
3. Ickorrbottens Gruv AB., Håksberg (in liquidation).
4. Gruf AB. Stark i Likv., Häksberg (in liquidation).
5. AB. Stollbergs Gruvor och Anrikningsverk, Häksberg.
6. Gruv AB. Lekomberg, Sörvik.
7. Stora Längviks Gruf AB. Hedemora.

The last-named company has a large interest in AB. Smålands Taberg. Haksberg Nya Gruf AB. operates Nos. 3 and 4, as listed above. There are reported to be two other foreign-owned companies in the field, Ludivka Gruv AB. Hemgruvan, Sörvik, and AB. Nya Noragruvorna, Nora.

The foreign-controlled companies have the following holdings:

County	*Number*
Kopparberg	185
Örebro	19
Västmanland	17
Södermanland	9
Östergötland	2
Total	232

There are at present 2,274 ore claims in the area covered, of which the foreign-owned constitute more than 10 percent, according to one computation, whereas in 1942, 17.2 percent of the ore and 17.9 percent of the concentrates came from foreign-controlled mines. Other figures (see above) are 9.5 percent of ore deposits foreign-owned, with 25 percent of production coming from them in recent years.

Mines Owned by Swedish Steel Companies

Most Swedish iron and steel producers have acquired entire or partial ownership in iron mines in Central Sweden, though some purchase their ore. Ownership frequently is complicated, several steel plants may own shares in the same mines, or they may share ownership with outside companies.

Normal production for the Central region is considered as about 4,000,000 metric tons, with an average extraction of 5 to 6 meters in depth per annum. For the last 5 years more than 3,000,000 tons have been exported annually. One-third of the exports came from foreign-owned mines, one-third came from the Grängesberg "export field," and the remaining third (largely manganiferous low-phosphorous ores) was from other mines, according to one estimate.

Current estimates of probable iron-ore reserves vary widely. Few new deposits have been found in the Central region, but known mines have revealed unsuspected resources. Thus the Idkerberg field (Kopparberg County) was assumed to be exhausted, but the known reserves there now are greater than ever before. The Persberg field, formerly thought to contain reserves of 1,500,000 tons, is now credited with a possible 10,000,000 tons. The old Smålands Taberg mine (Jönköping County) has vast reserves which, though titaniferous and low in iron, contain vanadium. The extraction of known ores of good analysis has greatly increased in recent years, to meet demands for ball-bearing steel, and other exacting uses, and for export.

The ore area of Central Sweden is considered to cover 405,000 square meters (or about 485,000 square yards), with an estimated iron content of 465,000 metric tons per meter of depth, allowing a 10-percent loss in extraction. Mining in the region has proceeded to an average depth of 200 meters (with a depth of 670

Copyright A. B. Text & Bilder, Stockholm

General view of Kiruna.

meters reached in one case), and an additional 300 meters of ore is assumed.

Of this, 405,000 square meters of ore area, 200,000 square meters include ores with less than 0.01 percent phosphorus, equivalent to about 220,000 metric tons of iron per meter of depth; medium-phosphorous ores (0.01 to 0.1 percent phosphorus) account for an area of 79,000 square meters or 60,000 tons of iron; and high-phosphorous ores (0.1 to 2.0 percent phosphorus) for an area of 126,000 square meters, containing 186,000 tons of iron, per meter of depth. In other words, of the total reserves, 47 percent may be regarded as low-phosphorous, 13 percent as medium-phosphorous, and 40 percent as high-phosphorous, according to one estimate.

Ore Reserves of Central Sweden

The iron-ore reserves of Central Sweden, unlike those of Lapland, are by no means inexhaustible. This is particularly the case with regard to low-phosphorous ores (less than 0.008 percent P) and those containing over 1 percent manganese, which are of particular importance to the domestic steel industry. Mining of such ores has reached an average depth of 200 meters and costs probably will increase as the remaining 300 meters of ore is extracted. Assuming that all probable reserves of such ores are retained for the use of domestic industry and that steel production averages slightly above the 1933–42 figures, the low-phosphorous ores would last about 75 to 80 years and the manganiferous ores about 110 years, but should exports continue at the rate prevailing in the 1933–42 period, such ores probably would be exhausted in 45 years, according to recent estimates by the Swedish Geological Survey and the Board of Trade (published jointly).

During the war certain Central Swedish mines have been worked intensively, particularly those of foreign ownership (largely in Kopparberg County). The latter, with 9.5 percent of the ore area of the region, were credited with 25 percent of ore production in recent years. For Kopparberg County it is estimated that the requirements of the Domnarfvet plant (probably producing some 200,000 tons or more of finished steel per year) correspond to a deepening of all the mines of the county by an average of 1 meter per year. Exports from the same county amounting to about 1,200,000 tons of ore, on the same basis would require a depth of extraction, per year, of 6.5 meters for Swedish-owned export mines and up to 10 meters for foreign-owned mines in that county, according to a Swedish engineer.

Swedish technical opinion inclines to the belief that technological advances will keep pace with the increased depth of working and tend to counter the trend toward increased costs. Whereas old methods permitted sinking at a rate of only about 2 meters per annum, with present methods a rate of 25 meters is reached in some cases.

The Swedish Board of Trade, however, estimates the Central Swedish ore reserves at only 220,000,000 metric tons, including 57,000,000 tons of concentrates. The most important quantitatively are 123,000,000 tons of apatite ores and 56,000,000 tons of quartz ores. Low-phosphorous ores (P less than 0.008 percent) amount to 33,000,000 tons, or 15 percent, and manganiferous ores (over 1 percent Mn) amount to 21,400,000 tons, or 10 percent, of the total reserve, according to this estimate.

The Board states that production during 1933–42 averaged 3,880,000 metric tons of Central Swedish ore annually, including 714,000 tons of low-phosphorous (0.008 percent P) ore and 485,000 tons of manganiferous ores. It estimates that only 37 percent of the manganiferous ore was reserved for domestic use. The pure manganese content of the 485,000 tons of manganiferous ore produced is estimated at 20,000 tons. Published statistics of production are shown in the following table:

[In metric tons]

Year	Shipping ore	Concentrating ore	Concentrates
1933	821,724	477,432	259,522
1934	1,645,826	950,593	497,254
1935	2,358,894	1,313,473	685,416
1936	2,866,576	1,743,253	916,290
1937	3,180,518	1,999,417	996,706
1938	3,362,313	2,145,970	1,034,294
1939	3,277,449	2,264,426	1,088,973
Total	17,513,300	10,894,564	5,478,455
Average	2,501,900	1,556,366	782,636

The foregoing figures indicate the extent to which mining in the Central Swedish field has been accelerated during the war, assuming ore plus concentrates to be meant in the Government's average figure.

One-third of the estimated 3,000,000 tons of exports came from the Grängesberg field and were high-phosphorous ores, one-third came from the foreign-owned mines and were principally high-phosphorous, though part were high-grade ores, and one-third was from various Swedish-owned mines, and probably were largely high-grade ores. The Board of Trade estimates that average annual exports during the 1933–42 period were 2,240,000 metric tons, of which 308,000 tons were low phosphorous (under 0.008 percent P) and 305,000 tons were manganiferous (over 1 percent Mn). It is reported that Örebro County, where foreign ownership is unimportant, exported 300,000 tons of high-grade ore in 1939, Kopparberg exporting 140,000 tons thereof in that year.

The Ställberg and Stripa fields in Örebro and the Hilläng mine in Kopparberg have been mentioned as important exporters of high-grade ores during the war. The Hilläng ores contain from 9 to 11 percent manganese, the Ställberg ores, about 5 percent manganese, and the manganese content of Stripa ores runs less than 0.2 percent. Phosphorous content of these ores varies from 0.005 to 0.009 percent. Some of the Swedish steel mills also are said to have exported high-grade ores from their mines, including the Norberg field.

Shipping Points for Central Swedish Ores

The Central Swedish ore fields have good rail facilities for the haul to shipping ports. Considerable quantities are loaded at Köping and Västeräs (inland ports on Lake Mälaren). Otterbacken and other ports on Lake Vänern are used, since ships of considerable tonnage can reach there through the Trollhättan Canal. There is some shipment through Göteborg, probably barged to the port through that canal. Oxelösund, on the

(Continued on p. 42)

Near East Sends Us Many Fragrant Oils

By MARIAN DRAKE HALL, *Industrial Projects Unit, Bureau of Foreign and Domestic Commerce*

THE ART OF PERFUMERY was inherited by the West from the ancient Eastern civilizations. In Egypt—even as early as the first dynasties—perfumes and unguent oils were used lavishly after the bath. During banquets, flowers were strewn on the floors, and guests were anointed with fragrant oils as they partook of sumptuous feasts. Incense was burned at all religious celebrations.

Today, jasmine from Egypt, rose oil from Turkey, almond oil from Syria, and origanum from Palestine—all serve to scent the perfumes and toiletries for "milady." And from Arabia, traditional land of white horses, wealthy sheiks, and fragrant oils, perfumers obtain valuable ingredients for their trade.

Gums and Oils from Arabia

Probably the best known of these aromatic ingredients obtained from Arabia is the true myrrh, or herabol myrrh, a gum resin, having a bitter, slightly pungent taste. It is derived from several species of *Commiphora* which are found on the shores of the Red Sea. The bush grows in the form of low thickets, scattered among taller trees. Oil of myrrh is a viscous liquid, yellowish-brown or greenish in color, and is produced by distillation of the gum. Myrrh, as mentioned in the Bible, probably refers to a perfumed "sweet" myrrh, or *Bissabol* myrrh, indigenous to Somaliland, and is not the same as the true myrrh gathered in Arabia.

Modern perfumers find the heavy balsamic odor of oil of myrrh an excellent constituent of oriental composition, blending effectively with opopanax, sandalwood, vetiver, patchouli, and geranium. Traces of the oil provide a pleasing addition to the light broom and honeysuckle floral attars.

Most of the gum myrrh imported into the United States comes from Arabia. In 1940, 22,074 pounds were received from Saudi Arabia and 840 pounds arrived from Aden. The considerable reductions in such purchases in 1941 are attributed, in part, to wartime shipping difficulties.

Another important aromatic substance from the Arabian peninsula is opopanax oil, the *Bissabol* myrrh previously mentioned. The opopanax formerly on the market was the resin of the plant *Opopanax chironium*, related to the lowly parsnip, and native to the warm climate of the Levant. The type of opopanax now familiar to commerce is the sun-dried juice given off by the bark of *Commiphora erythraea*, variety, *glabrescens* Engler. The finest oil is obtained by steam distillation. Aden is the chief center of export of the gum to Europe, the United States, India, and China.

In the Far East the gum is used as an ingredient in incense; in the West, as an element in perfumes. The balsamic odor of opopanax oil harmonizes with myrrh, olibanum, sandalwood, vetiver, and patchouli, to produce various exotic oriental bouquets. Lovely floral attars may be prepared by blending oil of opopanax with bergamot, geranium, jasmine, rose, and cassie.

Gum olibanum, the frankincense of ancient times, is obtained from a number of species of Boswellia, which grow in southeastern Arabia. Incisions in the bark of these trees produce the discharge of a white substance that hardens into yellowish drops of gum which fall to the ground. The gum is gathered in all seasons except the rainy monsoon months, from mid-June to September. Oil of olibanum is produced by distillation of this resin.

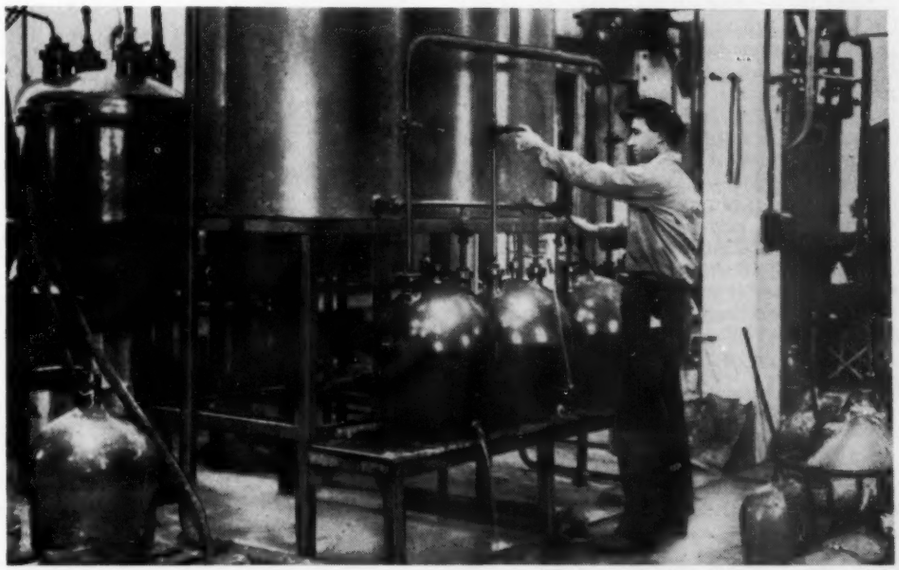
Much of the gum olibanum is shipped to Bombay, India, where it is reexported to all parts of the world, including the United States. For the year ended March 31, 1938, 726 tons of olibanum gum were reexported from Bombay, 90 tons of which were sent to the United States.

Oil of olibanum is employed in expensive perfumes, particularly those of the heavy oriental variety. Application of this oil in traces has given exquisite qualities to some famous French perfumes.

Storax (Liquidambar)

Asia Minor, next in importance in the arc of eastern lands under discussion, has long been a source of aromatic gums and plants, among them storax (liquidambar, or sweet gum), a familiar element in perfumes. The records tell us that in Mosaic times storax, or stacte, as it was then called, was used in the holy perfumes.

Storax is a gum produced by the tree of the genus *Styrax* when its sapwood is peeled off. The Asiatic storax, *Liquidambar orientalis*, Miller, grows profusely in southwestern Turkey. Both the Turkish Government and private citizens own the storax forests, which, however, are utilized for a livelihood by woodcutters who collect the gum and sell it to the owners or to merchants. After the trees have developed for about 3 or 4 years, collection of the gum is begun. Yearly, during June, July, and August, the outer layers of the bark and sap-



Courtesy Palestine Economic Corporation

In the plant of an essential-oil manufacturer in the Haifa Bay area.

622940—44——2

wood are cut from the opposite sides of each tree and the trunks are scraped until they are reduced to a very narrow diameter. The trees destroyed by this process eventually are disposed of as firewood.

Each day the shavings are gathered, boiled in water, and then pressed through cloth bags. The resulting emulsion of gum and water is easily separated into its components, since the gum floats to the surface. When the water is drawn off, the balsam is left in the form of a viscous liquid.

The latest available statistics show that in 1941 the United States imported from Turkey 61,840 pounds of the gum. Since the outbreak of the war Turkey has been seeking markets near its home ports.

One of the many uses of purified storax is to perfume soaps and cosmetics. Choice floral attar are created by compounding this balsam with such odors as hawthorn, hyacinth, lavender, or verbena.

Ever-Popular Rose Oil

Rose oil is one of the principal, also one of the most desirable, essences employed in fragrant preparations. More than 3 centuries ago—about the year 1612, so the story goes—a fabulous banquet was held in Persia, and at this celebrated affair, the center of attention was a precious new oil just presented to the Prince—the true oil of the rose.

As a source of rose oil, Turkey is second to Bulgaria. In Isparta and Bourdour there were 1,100 rose-plantation proprietors in 1937, according to a perfumers' trade journal. About 25 acres of rose plants are reported to yield approximately 4,400 pounds of petals. Rose oil, or attar of roses, is distilled with steam from the fresh flowers of *Rosa damascena*, Miller, and less frequently from *Rosa alba*, Linné, *Rosa centifolia*, and other varieties. One concern in Isparta has recently constructed a distillery with modern equipment.

Rose-oil production in Turkey was estimated at 120 kilograms or 265 pounds in 1939, a considerable reduction from the 1938 yield. Among Turkey's chief pre-war buyers were Great Britain, France, and the United States. In 1941, only 816 ounces of the oil were shipped to the United States from Turkey.

Genuine rose oil, now used only in high-grade perfumes, cosmetics, and toilet waters, can be successfully compounded with almost every kind of floral bouquet. Synthetic rose oils have found extensive use in the less-expensive perfumes. The synthetics usually combine true oil of the rose with citronellol, geraniol, phenylethyl alcohol, and other ingredients.

Oil of Almond

One of the earliest aromatic unguents known to civilization was oil of almond, used in Egypt thousands of years ago. About 2,000 B. C., among the gifts reported to have been sent to Egypt by the tribe of Israel were almonds. The almond tree, according to one authority, is indigenous to Iran (Persia), having

USDA photo

In a Near Eastern citrus grove, source of sweet orange oil.

spread from there westward to the Levant.

Both the bitter- and the sweet-almond trees flourish in Syria and Turkey. There is no botanical difference between the two; almond trees with white flowers produce bitter almonds, whereas those with pink blossoms yield the sweet nuts. The sweet almond is a cultivated tree, the fruit of which contains no essential oil, but only a fixed oil, known to the trade as sweet oil of almond. This fixed oil can be obtained from either variety of almond. Oil of bitter almond is obtained from the dried ripe kernels (deprived of the fixed oil) of the bitter almond tree, *Prunis amygdalus*, variety *amara*, through steeping the nuts in water, followed by steam distillation. The oil of bitter almond is not contained as such in the almond kernel, but is produced by an enzyme process. At the present time, oil of bitter almond is rather difficult to obtain. Because distillation of the seeds of peaches and apricots yields oils indistinguishable from oil of bitter almond, they are often used as substitutes for this essence.

Oil of bitter almond, which imparts a nutlike aroma to perfumes, creams, and lotions, has been replaced to a great degree in perfumery by the less expensive synthetic preparation of benzaldehyde (artificial oil of bitter almond), manufactured especially in the United States. Small quantities of the natural oil give pleasing results in perfumes when blended with heliotrope or the French muguet. Oil of almond, sweet, is widely employed in creams and lotions.

Asia Minor is indirectly of importance to the United States as a source of almond oils. England processes both bitter- and sweet-almond oil from nuts imported in part from Asia Minor, and then exports considerable quantities to United States concerns.

Origanum Oil

Both Palestine and Syria produce origanum oil, distilled from the flowering herb, *Coridothymus capitatus*, which is indigenous to the Mediterranean area. There are some variations in the oil, depending upon geographical locations.

The United States has imported a considerable amount of this oil from Asia Minor. In 1939, 7,317 pounds were received from Palestine and 10,052 pounds from Syria, and 2 years later, 14,703 pounds were imported from Syria.

The principal use of origanum oil is to scent soaps; to a lesser extent it serves as an ingredient in perfumes.

Oils from Citrus Fruits

The climate of Palestine is peculiarly adapted to raising citrus fruits, some of which are processed for their essential oils, but in 1943 only 240,000 dunums or 52,800 acres were devoted to orange groves. The industry has been hindered in the last few years by lack of fertilizers and irrigation and by high labor costs. Government loans have been resorted to as one means of assisting the growers. During the 1942–43 season, 53,000 pounds of sweet-orange oil were produced, and at that time Palestine's chief customers were the United Kingdom, Egypt, India, Australia, and Iraq. Because of the war, the United States has been deriving its supplies from South American countries and from domestic production.

Sweet-orange oil, expressed from fresh peel of the ripe fruit of *Citrus aurantium*, variety, *sinensis*, Linné is a common aromatic constituent of soaps, cosmetics, lotions, and perfumes. It is often used in the manufacture of lower-priced eau de Colognes.

Other Fragrant Oils

Asia Minor, particularly Syria, is one of several regions where cumin (*Cuminum cyminum*, Linné) flourishes. From the seed of the cumin, perfumers obtain an oil useful in scenting soaps and perfumes. United States firms buy the seed for distillation in their own plants, and in 1941, 5,688 pounds of cumin seed were imported from Syria. This was a reduction by almost half of the quantity purchased in 1940.

There are other oils produced in Asia Minor, especially floral essences such as jasmine, cassie, geranium, and neroli, but at present these are only of local interest.

The luxury of Egypt in the times of the Pharaohs brings to mind the extensive use of fragant oils. However, it was necessary to import most of these from countries beyond the Red Sea.

Today, aromatic oils are not produced in Egypt on a large scale, as in that early age, but the "flower fields of Egypt" recently have been exploited to a greater extent than previously. From the dry, freshly picked flowers of *Jasminium*

(Continued on p. 15)

Canada's Balance of International Payments

Notes and Comments on Some Salient Aspects

Prepared by British Empire Unit, Bureau of Foreign and Domestic Commerce, Based on Data Received From Ottawa, Canada

THE DOMINION BUREAU OF STATISTICS has recently published a bulletin on "The Canadian Balance of Payments, 1937–42, and Preliminary Statement, 1943." The technical method of presentation and the secrecy surrounding certain wartime transactions are handicaps to interpretation for the general reader, but certain phases of the information provided are of interest.

Self-Financed Wartime Trade

The bulletin contains an account of the extent to which the wartime trade has been self-financed by Canada. Under the various mechanisms developed since the beginning of the war, this financing to the end of 1943 is shown in the accompanying table.

In addition to the amounts shown for official debt repatriation in earlier years, there was a substantial amount of repatriation on private account, probably in excess of $100,000,000, although it has never been precisely reported.

Mutual Aid, which is the latest form of trade financing, is the Canadian equivalent of our Lend-Lease in that it anticipates reciprocal aid to Canada from countries in a position to extend it. It is still in effect. The expenditure accounted for in the fiscal year ended March 31, 1944, was $912,000,000. The appropriation for the current fiscal year is $800,000,000.

Significant Differences

Apart from showing the amount of trade financed, the balance-of-payments statement indicates that there has been in the war years a considerable difference in the amounts of goods trade reported in the merchandise accounts and that giving rise to external payments and receipts. The latter form the basis of the trade-balance estimate. Such trade as that going to and from Canada on third-country account (as in the case of our Lend-Lease shipments) is excluded, along with commodity contributions from countries (especially the United Kingdom) using Canadian training or production facilities, or Red Cross and relief shipments. These adjustments of purely wartime origin have been added to those made in ordinary times for such things as grain moving out on storage account or to order while rolling. Trade between Canada and Newfoundland is excluded because it produces no external debit or credit inasmuch as Newfoundland uses Canadian dollar currency. A comparison of the excess of exports over imports as reported in the two accounts is as follows:

[Millions of Canadian dollars]

Calendar years	Excess of exports (ex gold)		Net balance-of-payments credit on current account	Total self-financing of exports
	According to the trade returns	According to the trade balance		
1937	+203	+265	+180	
1938	+171	+195	+100	
1939	+185	+193	+126	75
1940	+111	+196	+149	219
1941	+191	+468	+491	917
1942	+741	+1,109	+1,101	1,178
1943	+1,266	+1,471	+1,206	901
5 years, 1939–43	+2,494	+3,137	+3,073	3,290

An increasing excess of exports has been the predominant characteristic of the current account of the balance of payments in the war years. This excess continued to increase in 1943, but as it occurred in the trade with the sterling area and was offset by the self-financing described earlier, the credit item resulting from it was less a real credit than a book credit offset by other entries on the debit side. In the trade with the nonsterling countries (chiefly the United States) which in the war years has leaned to a heavy excess of imports, the trend of 1943 was somewhat more favorable than that of the earlier war years. There were larger shipments of raw materials and munitions to the United States and, in the latter half of the year, larger grain exports which reflected the beginning of the heavy pressure experienced for meat production.

Tourist Trade

Of one of the important "invisibles" in the current account—the tourist and travel trade—the new bulletin says that the year 1943 developed a net credit of $53,000,000 as compared with $55,000,000 in 1942 and $90,000,000 in 1941. The rationing of gasoline, which has reacted sharply on United States automobile travel in Canada, has been the overriding factor in the relatively weak contribution made by this item in recent years. Comparing 1943 with 1942, however, the decline in expenditures of United States automobile travelers was more than offset by increases in the expenditures of persons traveling by rail. Expenditures of such persons in Canada amounted to $87,000,000 as compared with $79,000,000 in 1942, but Canadian travel expenditures in the United States also rose to $34,000,000 from $24,000,000 so that the net was slightly smaller, as stated above. Estimates of the value of the tourist trade have been greatly improved in recent years through the experience gained in administering foreign-exchange control.

(Continued on p. 15)

Special Financing of Wartime Exports, Calendar Years

[Millions of Canadian Dollars]

Item	1939	1940	1941	1942	1943	Total to end of 1943
Export of Canadian produce ex gold	925	1,179	1,621	2,364	2,971	9,060
Official transactions:						
Repatriation of securities	75	137	189	296	4	701
Repatriation of production by purchase of U. K. interest in war plants—						
Fixed assets					205	205
Working capital					190	190
Increase or decrease in sterling balances		+82	+728	−818		692
Loan to Britain of sterling unliquidated				+700		
Billion-dollar contribution				1,000		1,000
Mutual aid					502	502
Total	75	219	917	1,178	901	3,290

Tobacco in Venezuela

TOBACCO GROWING IN VENEZUELA antedates that of Colonial Virginia, although the present average annual crop is unofficially estimated at only about 7,250,000 pounds. Approximately two-thirds of the tobacco produced is used in the manufacture of cigarettes and the remainder goes into the production of cigars, with the exception of a small amount used by one firm in pipe tobacco.

Based on Report by WILLIAM P. WRIGHT, *Assistant Commercial Attaché, U. S. Embassy, Caracas*

Producing Areas

Most tobacco production is in the coastal States of Sucre, Falcon, and Carabobo. Dark varieties make up 90 percent of the output, the three principal types being Golfera, from Sucre; Capadare, from Falcon; and Salom, from Carabobo. Practically all light Virginia and burley tobacco, which types account for about 10 percent of total production, are grown within 100 miles of Caracas, in the States of Aragua and Carabobo and in the Federal District.

Cultivation

Small-scale planters grow 75 percent of the entire Venezuelan crop on plots ranging from 1 to 5 acres. The primitive methods of the sixteenth century are still used for the bulk of tobacco culture—that of dark leaf. The Venezuelan grower of dark tobacco seldom actually sees money for his crop, the cured tobacco usually being turned over at the end of the season to the neighborhood storekeeper who has supplied him with necessities throughout the year. Although there is no tobacco market as such, roving buyers make the rounds among storekeepers or have the merchants deliver the tobacco to appraisal centers.

Light varieties generally are grown under more favorable conditions and command top prices. Modern methods are employed—from importation of seed to the curing. Irrigation is used, thus permitting development in the dry season. Practically all light tobacco is fluecured, whereas dark varieties are aircured.

Tobacco culture in Venezuela is improving steadily. The Government operates experimental farms in an effort to develop types most suitable to local conditions and the needs of manufacturers. At least one cigarette manufacturer is known to extend credit for fertilizer, seed, and implements to growers; he also builds barns for curing and storing, giving price guaranties in advance.

Yields and Prices

Yields vary widely, the dark tobacco being estimated at from 1,500 to 2,000 pounds per acre, and the light from 800 to 1,300 pounds. Prices, likewise, are far from uniform. A grower of low-grade dark-leaf may receive the equivalent of 10 cents a pound from a country merchant, whereas a modern producer of light tobacco may sell direct to cigarette manufacturers at up to $1 per pound. Prices are now above average, since the current crop is below normal. Some foresighted cigarette manufacturers contracted with area buyers for dark tobacco at 25 to 35 cents per pound. For better grade "rubios" (lights), more than double that amount is being received.

Manufacture and Sales

The manufacture of cigarettes is well established—output totals 1,700,000,000 cigarettes annually, about 90 percent from dark tobaccos. Two of the six manufacturers account for about three-quarters of the production and employ 600 of the 800 workers. About 98 percent of cigarette manufacture is located in Caracas.

United States machinery, including automatic packaging machines, is employed almost entirely in cigarette factories although a few cutting machines are of British manufacture. Some packaging, especially of oval-shaped cigarettes, is done by hand. The two leading factories have stated that they intend to purchase additional labor-saving machinery after the war.

Although about 20 brands of cigarettes are made, 3 of these represent 60 percent of total sales and are of dark tobacco. These sell for 15 cents for a package of 18, whereas brands made of light tobacco, including two of the menthol-ated-type cigarette, sell for 22 cents a pack, and one brand sells for 30 cents. Well-known brands of imported cigarettes retail at 52 cents per package at present.

There are two main methods of distribution by manufacturers. The one more generally used is that of a distributing house, with branches, which actually serves as a wholesaler, although operating under the direction of the manufacturer with regard to prices, terms, and discounts. The other method is through traveling salesmen who solicit orders direct from retailers, deliveries being made from factories or area warehouses.

In Venezuela, cigars are manufactured by hand, and are practically all made from dark tobaccos. They vary widely in color, size, and shape and are sold in loose form, in bundles, or in wooden boxes, according to quality and price. Prices range from one-half cent to 30 cents each.

Although cigar making is centered in Sucre, the art is widespread and practiced with varying success in many parts of the country. The field is open to all entries, as no taxes or licenses are required. No estimate of the number of cigar makers is possible.

There is no organized manufacture of nicotine or insecticides from tobacco, although tobacco sweepings and dust from cigarette factories in Caracas are purchased by one firm which prepares a liquid sold as a plant insecticide. This operation is on a relatively small scale.

Consumption

Consumption of tobacco among the men of Venezuela is high, but the smoking habit is not as prevalent among the feminine population nor among youths as it is in the United States. Cigarette smoking is largely confined to the urban districts; the ruralite prefers cigars which cost him about one-half cent each, and take the place of many cigarettes. The dweller of the wide-open spaces has little conception of time and distance, it is said, and often refers to a destination as being 2 cigars or 5 cigars along an indicated road.

Pipe smoking is rare among native Venezuelans. A tobacco habit peculiar to Venezuela and the Colombian Andes regions is the use of "chimo," a concentrate prepared from tobacco stems, scraps, and dust, boiled down and mixed with molasses and an alkaline substance found on the bed of Lake Uras in the State of Merida. It is dispensed in stick, rope, and paste forms, and used in a manner somewhat similar to that of Copenhagen snuff. This product, which may be referred to as a super concentrate, has some use in plant insecticides.

Imports and Exports

Imports of cigarettes into Venezuela for the 5-year period 1939–43 have averaged 6,242,112 packs (of 20 cigarettes each) annually, of which the United States furnished nearly 99 percent by weight. During the first 8 months of 1944, 170,896 kilograms, or approximately 6,835,840 packs, were imported from the United States.

Imports of other types of tobacco products have been insignificant and have consisted of pipe tobacco and cigars. The bulk of these imports were from the United States until 1942, when Cuba took first place in the amount sent to Venezuela.

Exports of tobacco from Venezuela are unimportant, totaling in 1943 only 3,433

(Continued on p. 15)

Classification Changes in Export Statistics

Many Become Effective This Month

By J. Edward Ely, *Chief of the Foreign Trade Division,* and Frederick W. Harrison, *Chief of the Classification and Codes Section of the Foreign Trade Division, United States Census Bureau*

CHANGES MADE in the Bureau of the Census 1945 edition of Schedule B, "Statistical Classification of Domestic and Foreign Commodities Exported from the United States," are more important and far-reaching than those made in any other edition in recent years. Four hundred and ninety-five classifications have been deleted, while 265 new classifications have been established, resulting in a net decrease in classifications between 1944 and 1945 of only 230. Deletions which have been made in the 1945 edition represent the first thoroughgoing attempt in the history of Schedule B to weed out classifications which have passed their usefulness, thereby reducing the exporter's work in preparing the Shipper's Export Declaration. Most of these deletions were the result of changed export-control requirements which rendered of questionable importance many classifications established in November 1941 for control purposes.

Changes Since Pre-War

The picture becomes clearer when viewed from a pre-war perspective. (See Table I.) In January 1939 Schedule B contained 1,778 classifications, and the year 1940 witnessed no substantial changes. In 1941, however, by reason of the needs of export control and the increased need for detailed information in connection with the conduct of the war, the total number of classifications jumped to 2,651. Between 1941 and 1943 the total number of classifications further increased to 3,317. Despite the changing situation, this level has been maintained ever since. Practically no changes were made in 1944 and, therefore, the 1945 changes represent an accumulated demand of a 2-year period. While this was expressed in 760 changes, the deletions were such as to more than cancel the added classifications. As a result, the 1945 total was 3,075 classifications as compared with 3,305 in 1944 and 3,317 in 1943.

Related to War Effort

Over the years the greatest absolute increase has taken place in the group covering chemicals and related products, which in 1939 contained only 172 classifications, but which in 1944 contained 517. The 1945 figure of 413 results from 162 deletions and 58 additions to chemical classifications, principally in industrial chemicals. Group 9, Schedule B's miscellaneous group, contained the greatest absolute increase, but this was due in large measure to the establishment of the military-equipment classifications which will not be continued permanently in anything like their present detail. Group 9 grew from 163 classifications in 1939 to a high of 616 in January 1943. Its 1945 total is 606. Changes in this group between 1944 and 1945 were insignificant. Further important changes have, of course, taken place in the metals group, where classifications covering iron, steel, and nonferrous metals grew from 235 in 1939 to 405 in 1944 and remained at a level of 344 for the year 1945.

Effect of Relief Needs

It would be a mistake to assume that increases in classifications have taken place since the beginning of the war only upon a basis of items which are obviously connected with the war effort. The needs of total war apparently pervaded all types of commodities, and we find that food, textiles, vegetable fibers, and other types of commodities have likewise experienced an increase in number of classifications from the beginning of the war.

The 1945 Schedule B classifications reflect to some extent the trend toward emphasis on food, clothing, and other materials which are now flowing into relief and rehabilitation channels instead of into allied military channels proper. The amount of goods flowing into these channels will become important enough in volume to place it in the same category of importance as other exports. As a result of the large volume of goods exported for relief or charity by Government agencies and UNRRA, exclusive of certain "used" items, will now be coded along with other exports of such goods, classified in the same degree of detail, and considered part of the total exportations of commodities of the same kind. Briefly, the importance of this type of goods as an instrument of relief or charity will fade into insignificance in comparison with the sheer volume and value of the goods themselves.

Newest Modifications

Changes which have occurred between 1944 and 1945 are, of course, of particular interest to shippers and users of export statistics. In chemicals, group 8, where 162 classifications were deleted and 58 new classifications were added,

Table I: *Schedule B—Number of Classifications by Groups (1939–1945)*

No.	Group title	1939	1941*	1943	1944	1945*	1944–1945		
		Number of classifications					Deletions	Additions	Net change
00	Animals and Animal Products, Edible	61	64	78	78	84	8	14	+6
0	Animals and Animal Products, Inedible	99	108	139	139	134	15	10	−5
1	Vegetable Food Products and Beverages	148	160	180	180	192	16	28	+12
2	Vegetable Products, Inedible, Except Fibers and Wood.	100	142	157	157	164	24	31	+7
3	Textile Fibers and Manufactures	197	246	289	289	276	43	30	−13
4	Wood and Paper	135	175	184	184	155	43	14	−29
5	Nonmetallic Minerals	115	149	153	155	154	11	12	+1
6	Metals and Manufactures, except Machinery and Vehicles.	235	393	403	405	344	86	25	−61
7	Machinery and Vehicles	353	466	601	590	553	74	37	−37
8	Chemicals and Related Products	172	497	517	517	413	162	58	−104
9	Miscellaneous	163	251	616	613	606	13	6	−7
	Total	1,778	2,651	3,317	3,305	3,075	495	265	−230

*The November 1941 issue of Schedule B contained 731 new classifications established for purposes of export control; the January 1, 1945, edition of Schedule B contains 495 deletions, most of which involved export-control classifications established in November 1941.

the principal changes took place in industrial chemicals. In metals and manufactures, group 6, 86 classifications were deleted, 25 were added, leaving 62 fewer classifications than in 1944. Here changes were principally made in iron and steel advanced manufacturers, nonferrous ores, metals, and alloys. Machinery and vehicles, group 7, lost 74 classifications through deletions and added 37 new ones, a net loss of 37. Changes here were most numerous in electrical-machinery classifications. In other groups changes were less important but appeared principally in lumber, vegtables, seeds, grain, fodder and feeds, leather, nonmetallic minerals, and dairy products.

System Reorganized

The vast increase in classifications which has taken place since 1939 gave rise in 1944 to a thoroughgoing reorganization of the classification system. Schedule B was published in two parts for the first time that year.

Part I, the detailed list of 60,000 commodities arranged in alphabetical order for use by the shipper, has gone far toward solving the problem of shippers already perplexed by the many regulations under which they must necessarily operate in wartime. The new schedule now makes it possible for the shipper to locate his correct Schedule B commodity number without guessing and has also resulted in the improvement in the quality of statistics and a simplification of the problem of compilation. Since the shipper has at hand an adequate tool with which to work, he can apply his unique knowledge of his particular product to the selection of the appropriate commodity number for insertion on the Shipper's Export Declaration. As a result, there has been observed a considerable improvement in the correctness of Shippers' Export Declarations submitted for compilation. This fact is of tremendous importance because, while important checks on the accuracy of shippers' coding are maintained as part of the compilation procedure, the fact nevertheless remains that the quality of foreign-trade statistics is essentially a product of decisions made by the shipper when the Export Declaration is filled out. The importance of increased utilization of the shipper's knowledge of his product can scarcely be overestimated.

001000-003200

CLASSIFICATION OF DOMESTIC AND FOREIGN COMMODITIES EXPORTED

GROUP 00.—ANIMALS AND ANIMAL PRODUCTS, EDIBLE

COMMODITY CODE NUMBER AND DESCRIPTION, ECONOMIC CLASS NUMBER, UNIT OF QUANTITY, AND SELECTED LIST OF ITEMS INCLUDED WITHIN EACH NUMBERED CLASSIFICATION

001000 CATTLE FOR BREEDING.....(2) No.

Beef heifers, for breeding
Bovine cattle, for breeding
Bulls, for breeding
Cows, for breeding
Dairy heifers, for breeding

001200 OTHER CATTLE.....(2) No.

Bovine cattle, except for breeding
Cows, except for breeding
Dairy cows
Dairy heifers, except for breeding
Heifers, for slaughter
Live calves
Milk cows

001500 HOGS (SWINE).....(2) No.

Breeding hogs
Duroc Jersey boars
Live barrows
Live boars
Live gilts
Live pigs
Live stags (hogs)
Packing sows, live
Purebred boars
Registered purebred hogs

BEEF AND VEAL, EXCEPT CANNED—Continued

002100 PICKLED OR CURED.....(4) Lb.

Beef brisket, pickled or cured, except canned
Corned beef, pickled or cured, except canned
Dried beef, pickled or cured, except canned
Family beef, pickled or cured, except canned
Jerked beef
Kenwood family beef
Roulade beef, pickled or cured, except canned

002200 HORSE MEAT (ALL KINDS).....(4) Lb.

PORK, EXCEPT CANNED:

002700 FRESH OR FROZEN PORK.....(4) Lb.

Dressed hogs, fresh or frozen
Fat back pork, fresh or frozen
Green hams
Hams, fresh or frozen
Hog carcasses, fresh or frozen
Hog sides, fresh or frozen
Pigs' feet, fresh or frozen
Pork bellies, fresh, green, clear
Pork bellies, fresh or frozen

Illustrative page from Schedule B—Part I. (This has been taken from a 1944 Supplement to Part I, as no 1945 manuscript is available at the time of going to press. Differences between the format shown above and that of the 1945 Schedule B are very slight.)

Significant Improvements

The 1945 edition of Schedule B, Part I, has undergone several important improvements. Word order has been standardized so that the alphabetized arrangement is much more exact and the groupings which fall together are therefore much more meaningful. Commodities formerly embraced by broad description can now be found in the same manner as any detailed item, in proper alphabetical position.

Part II of Schedule B has undergone relatively few changes as compared with Part I, except, of course, the actual changes in classification and editing changes common to both. Principal changes which have taken place have been sharpening of descriptions and elimination of unnecessary words in listings under numbered classifications to avoid duplication of material appearing in the description of the classification.

To further aid both shipper and analyst, the 1945 edition of Schedule B has undergone many important improvements in both Part I and Part II. Several thousand new individual commodity items have been added, enabling the shipper to be almost certain to find his particular commodity in detail and at the same time increasing the preciseness of definition for many classifications important to the analyst. The old photo-offset list of punch cards without capitalization or punctuation has been abandoned in favor of a new typewritten manuscript, much more legible than before. Both parts of the 1945 edition are published in the same size, 9 by 11 inches.

Comparability of Data

The present global war has resulted not only in increased demands upon the United States foreign-trade statistics for national purposes, but also in an increased demand for comparable foreign-trade data of the various Allied nations. This is, of course, only the beginning of a trend which will, in all likelihood, be accelerated by increased interest in the international movements of commodities which will doubtless take place at the close of hostilities. This trend toward greater comparability in international statistics has already become apparent, and the United States has, in the form of the present Schedule B, furnished a basis for the development of international comparisons consistent with this country's economic position in the post-war world.

Already the desirability of comparable statistics throughout the Western Hemisphere has become very clear, and during the past year a very important project has been undertaken to aid in achieving this objective. Early in the year a

CLASSIFICATION OF DOMESTIC AND FOREIGN COMMODITIES EXPORTED

COMMODITY DESCRIPTION	UNIT QUANTITY	COMMODITY NUMBER
Liquids, waterproofing, integral	—	829990
Liquor, corn steep	—	612300
Liter solution, intravenous	—	612498
Lithographed calendars	—	956000
Live birds	—	090900
Live hares	—	090900
Live kids	—	090900
Lobelia herb	Lb.	220998
Lobsters, cooked, except canned	Lb.	009098
Locknuts, iron and steel, except railroad and aircraft	Lb.	609900
Lockwashers, except railroad and aircraft	Lb.	609900
Loins, pork, fresh or frozen	Lb.	002700
Looking glasses (plate and sheet glass, tinned, silvered or platinum-coated)	—	533098
Looms and parts, wire-weaving	—	745598
Loopers, and parts, for industrial sewing machines	—	755305
Lorries, breakdown, carburator type, under 4 tons	No.	790461
Markers, skirt	—	984098
Marking machines, and parts, metalworking, power-driven	—	744405
Marking machines, hand	—	745898
Marlin spikes	—	617898
Marquisettes, combed, cotton and silk mixed, cotton chief value	Sq.yd.	306700
Marquisette, rayon, woven, filament yarn fabric, except printed	Lb.	384950
Marquisette, rayon, woven, filament yarn fabric, except printed - Quantity only	Sq.yd.	384951
Marquisette, rayon, woven filament yarn fabric, printed	Lb.	384980
Marquisette, rayon, woven filament yarn fabric, printed-Quantity only	Sq.yd.	384981
Marrowbone concentrate	—	612300
Marvel vent valves, air	—	718998
Marzipan paste	Lb.	163700
Masks, ammonia	—	919098
Masks, screen	—	919098

Illustrative page from Schedule B—Part II.

project was initiated by the Inter-American Statistical Institute with a view to attaining comparability of foreign-trade statistics throughout the Western Hemisphere. To this end the League of Nations "Minimum List of Commodities" for international trade statistics was adopted as a standard. In order to make this standard most usable, a detailed list of inclusion terms under each classification, similar to that provided for Schedule B, is planned for each country.

Because of the important position of the United States in hemisphere trade, the first list in the series was composed of all of the items in Schedule B, along with some 5,000 of the most important items entering into the import trade of the United States. The series of releases which will result will be known as "Convertibility Indexes for Foreign Trade Statistical Classifications of the American Nations."

The new Schedule B established in 1944, with its detailed coding practice refined and developed during the year, now forms a logical foundation on which a system of comparable international statistics may be built, and suggests to other nations a practical means by which international statistical coordination may be accomplished.

How to Get Schedule B

Part I of Schedule B may be purchased for $1 from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., from Collectors of Customs, or from Department of Commerce Field Offices. Part II will be available about the middle of January. The price of Part II will be announced later.

Near East Sends Us Many Fragrant Oils

(Continued from p. 10)

grandiflorum, an oil essential in almost all types of fine perfumes, is extracted. The flowers are picked early in the morning during the late summer months, and must be used immediately. About 12 percent are treated by the enfleurage method, the volatile extraction method being employed on the remainder and also on those left over after enfleurage. Skillful blending of the oils obtained by each of these processes produces a scent more reminiscent of the odor of the real flower than that produced by one of the oils alone.

Jasmine is a basic flower odor and is used in almost all types of compositions. Developments in western perfume houses in the past few years indicate a growing use of synthetic jasmine oil.

Acreage devoted to raising cassie ancienne (*Acacia farnesiana*) has been increased tremendously during the past decade, chiefly because modern irrigation has made possible the cultivation of areas far distant from the Nile River. In Egypt's irrigated soil, plants, which in Europe reach a height of only 2 to 3 feet, grow to 6 or 7 feet. Oil of cassie ancienne, said to recall violet and orange blossom at the same time, is produced by steam distillation and has been used as an ingredient in some of the finest Parisian perfumes.

Future Supply

Geranium, rosemary, cumin seed, anise, fennel, coriander, bergamot—all of these grow in Egypt. Studies carried on to evaluate the possibilities of procuring future supplies of essential oils from Egypt indicate that Egyptian soil and climate could successfully produce a large number of aromatic plants and that any development of an extensive foreign demand could be met.

Trade in some of the aromatic oils from Arabia, Asia Minor, and Egypt has been disrupted because of wartime shipping difficulties. Other oils are losing their place to synthetic products. However, should post-war demand increase sufficiently, various unexploited sources of natural essential oils could be utilized to good advantage.

Tobacco in Venezuela

(Continued from p. 12)

kilograms valued at 18,034 bolivares (1 bolivar=30 cents U. S. currency). Inexpensive cigars shipped to Curacao, for use by Venezuelan laborers working on oil-refinery operations, accounted, in value, for three-fourths of these exports.

Revenue from tobacco is important in Venezuela, as in other countries, but, unlike the situation in most other countries it is almost entirely from cigarettes. In 1943 revenue derived from importation of tobacco products totaled 2,478,444 bolivares, cigarettes accounting for 2,437,848 bolivares. Internal revenue from cigarettes totaled 29,502,508 bolivares, of which 4,075,729 bolivares was from imported cigarettes and the remainder was from domestic and miscellaneous cigarettes. The revenue from cigarettes alone in 1943, totaling 31,940,356 bolivares, was more than 10 percent of the Government's total revenue for the fiscal year 1942–43.

Canada's Balance of International Payments

(Continued from p. 11)

Dividends and Interest

Dividend and interest payments on foreign capital invested in Canada are a big item to be covered on the debit side of the balance. The net on this account in 1943 was $202,000,000 as compared with $203,000,000 in 1942, $226,000,000 in 1941, and $261,000,000 in 1940. Declines in dividend payments have been the determining factor. On interest account there has been some reduction of payments to the United Kingdom by reason of the repatriation of debt mentioned earlier, but, coincidentally, there have been also heavy purchases of Canadian bonds by United States investors in recent years, so that payments to the United States have increased. The net payment on interest and dividends to the United Kingdom was $47,000,000 in 1943 and to the United States $171,000,000. The latter figure is after deduction of $34,000,000 received by Canada on account of Canadian capital invested in the United States.

Security Dealings

Referring to the large volume of security transactions with non-Empire countries (chiefly the United States) in 1943, the bulletin gives the following figures:

	Canadian currency
Sales by Canada:	
New issues of Canadian securities	$146,000,000
Net sales of outstanding securities—	
Canadian	256,000,000
U. S. and foreign	44,000,000
Purchases by Canada:	
Retirements of Canadian securities	308,000,000

Special Transactions

The above-cited security figures in themselves might have accounted for the easing dollar supply which was characteristic of the year, but they are no more than a partial explanation of the actual position. The influence of special wartime transactions was also very marked. Reference is made in the bulletin to the effect of expenditures by the United States, in constructing the Alaska Highway through Northwest Canada, the Canol pipe line, and other projects, in increasing Canada's dollar credit. United States expenditures in Newfoundland for the construction of bases also helped because the Island uses Canadian currency and draws exchange from the same pool. The payment of 143,000,000 United States dollars to Canada by the United Kingdom during the year in settlement of a portion of the trade deficit was also of importance in providing the Dominion with resources to meet its dollar debit in the United States.

Late AIRGRAMS

Reports Submitted by Offices (in Latin America) of the Foreign Service

Argentina

(From the U. S. Embassy, Buenos Aires)

Business conditions on the whole continued to sustain remunerative levels of activity throughout the month of November and the first 2 weeks of December, despite the disadvantages brought about by the lack of industrial raw materials and imported consumers' goods. Stocks of imported merchandise in the hands of wholesalers were practically nil, and commitments were made for domestically manufactured products even before they came off the assembly line. There continued to be an abundance of funds and the country's heavy export balance continued to increase. Deliveries of tungsten under the 3-year United States-Argentine Agreement, which terminated November 23, 1944, will probably bring about a paralysis in the local tungsten industry. The structure of the National Post-war Council was completed by the formation of a series of subcommittees.

The outstanding national development during the period under review was far reaching social legislature.

A decree was issued creating a National Institute of Social Welfare, which will centralize and be responsible for the organization of all social welfare services throughout the country. By an Executive decree, the Government established the National Administration of Public Health as a dependency of the Ministry of Interior. The new administration will have jurisdiction over provincial public-health offices and organizations, and will extend its activities over all fields of public health, including supervision of private health organizations and the granting of subsidies for them.

Exports for the month of November showed a decrease over those of the month of October by 139,000 tons in quantity and 56,900,000 pesos in value. Eleven months' cumulative figures, however, showed the following increases over last year: values, 2,160,000,000 pesos, compared with 1,980,000,000, an increase of 9.2 percent; volumes, 5,656,000 metric tons compared with 4,823,000, an increase of 17.3 percent. The volume of Argentina's exports for the first 11 months of 1944 is *less* than any other year for the past decade, excepting 1942 and 1943; however, the value figure has been exceeded only by that of the 11-month period in 1937.

By instituting a system of commercial licenses the Government sought to bring the retail trade directly under the control of the Department (Secretariat) of Industry and Commerce, and to prevent the spread of chain-store systems by prohibiting the formation of new chain systems, the opening of new branches by existing systems in districts where a branch already exists, or amplifying the premises of existing branches.

A decree was issued by the Province of Cordoba providing for the gradual expropriation of all electric services in the Province. By decision of the Federal Court, the Primitiva Gas Company was ordered to deliver to the Government its gas works, distributing systems, and other equipment. The Government expropriated the grain elevators situated in the ports of San Nicolas and Santa Fe.

There has been increased governmental attention to the utilization of substitute oils and materials, with a view to relieving current as well as prospective shortages of fuel for power.

The appointment was announced of a committee composed of Government representatives, prominent local businessmen, and bankers to control the intervention of a number of German commercial and financial houses.

On November 30, 1944, the Argentine Government decreed the prices for wheat and flaxseed at which it will buy the 1944–45 crops. These prices were fixed at 9 pesos for wheat and 13 pesos for flaxseed, per 100 kilcgrams, sacked, on board cars in the port of Buenos Aires. Both these prices are 1 peso per 100 kilograms higher than the corresponding prices of 1943.

On December 20, 1944, the Ministry of Agriculture issued its first production estimate of the small grains and flaxseed for the 1944–45 crop as follows: Wheat, 4,537,000; flaxseed, 841,500; oats, 915,000; barley, 594,700; and rye, 428,800 metric tons.

The Government's debt to the Banco de la Nación, by reason of its agrarian policy and crop-purchasing program, totaled 943,800,000 pesos on December 31, 1943, compared with 994,400,000 pesos at the preceding year-end. The exchange fund produced 42,900,000 pesos in 1943, against 90,200,000 in 1942, of which 39,-900,000 and 88,200,000, respectively, represented exchange profits.

Bolivia

(From the U. S. Embassy, La Paz)

Complaints of local commercial banks concerning the responsibility placed on them to distribute the foreign-exchange quotas at their disposal among their clients have resulted in an unexpected modification of the present procedure, which is proving to be equally unwelcome to the banks. In a circular letter from the Ministry of Finance to the banks fixing exchange quotas for December, the Ministry specifies how the quotas are to be distributed among various classes of imports. Even within these quotas the specific authorization of the Ministry of Finance must be obtained for each sale.

One difficulty that has arisen is that importers of a given product must apply to the bank which has a quota for that product, regardless of whether they have been clients of that bank. Another difficulty is that importers have succeeded in obtaining exchange priorities from the Ministry and that such priorities have been issued in excess of the exchange quotas set by the Ministry.

Related to this problem is the fact that merchants in the interior, not having such easy access to the Ministry, have found that the possibility of obtaining their proportionate share of exchange is impaired. It is anticipated that in view of these difficulties, the Ministry will organize a committee for the control of foreign exchange, which will relieve the banks of their responsibility and will at the same time organize the system of granting foreign exchange in such a way as to coincide with the available quotas.

In the meantime, the Ministry has taken a step in this direction by requiring banks to obtain the Ministry's authorization prior to opening letters of credit. The Ministry has rejected a considerable percentage of requests for letters of credit, with the result that the banks now have considerably reduced commitments outstanding. The letter of credit is becoming increasingly more important in general for two major reasons: First, owing to difficulties in the recent past in obtaining payment for their merchandise because of the restrictions on the sale of foreign exchange, foreign exporters are becoming more reluctant to ship without this safeguard. Second, a considerable number of local importers now hold a preference for this method of dealing, despite the additional cost, because the approval of a letter of credit by the Ministry constitutes a guaranty that foreign exchange will be granted when the documents are presented.

It is reported that some American exporters have stopped shipping to Bolivia against delivery of documents, because when imported merchandise is not accepted by the original consignee it is extremely difficult to obtain permission from the Bolivian Government to have the merchandise reshipped to the point of origin or to a neighboring country. Hence, the shipper is forced to find another Bolivian consignee, even at a considerable loss, or the merchandise may be auctioned off by the Bolivian customhouse if it has not been claimed within a year; experience has shown that such auctions usually leave no balance after the Government's claims have been paid.

Articles in noticeably short supply are: Cotton and rayon textiles, construction

machinery, trucks, ball bearings for vehicles, and hardware.

On the other hand, portland-cement stocks are now adequate to meet current demands, owing to recent arrivals from the United States.

The present quotation of the dollar on the curb market is 45 percent above the official quotation.

Uruguay

(From the U. S. Embassy, Montevideo)

The conclusion in November of a 3-month controversy with the local authorities and the resumption of cattle purchases by the foreign-owned packing houses gave a generally favorable aspect to Uruguay's livestock and meat industries. The agricultural outlook, however, was unfavorable. The yield per hectare of wheat was low, and the insect-plague damaged potatoes, causing pessimistic crop estimates. In the case of wheat, climatic difficulties and a decline in area sown, served to reduce the yield further, so that the present harvest, plus existing stocks, probably will be less than the amount required for domestic consumption. Almost one-half of the potato crop is lost, which means that the internal demand will have to be supplied in part by imports. The coming linseed harvest should be excellent.

Industrial trends continued favorable. Woolen-textile mills operated at capacity, and a further acceleration in the manufacture of all products necessary for the construction industry was observed. Desire to complete rental properties for the summer tourist season was an added stimulus to the industry.

No substantial changes from those of 1943 are anticipated in the volume or value of Uruguayan exports. November wool shipments considerably exceeded those of October, all but a negligible amount as usual moving to the United States.

The wool market in the second month of the new season continued active, with prices firm, but toward the end of the period large purchasers tended to withdraw their bids and await price recessions.

The local securities market absorbed still larger quantities of the Government's internal debt obligations, prices for all classes of securities, including shares, indicating confidence on the part of capital.

The Government continued its efforts to prevent an inflation of prices from monetary causes. The Bank of the Republic announced its willingness to accept time deposits from the public and from banks at rates ranging from 2 to 3¼ percent for periods of 6 to 24 months. All wholesale price indexes continued to advance, but retail prices, particularly for vital necessities, were, with considerable difficulty, controlled. Retail prices for imported items continued their upward trend.

The dollar remained unchanged at 1.845 in the "free" market.

With the beginning of summer, local merchants experienced the customary seasonal pick-up, the volume of business during November being generally reported good, particularly in warm-weather clothing and sportswear. The beverage industry began to operate once more at capacity.

The employment situation improved, not only because of the resumption of activity in the meat-packing industry, but also because of seasonal hiring for summer. There were no strikes of importance, labor in general seeming better satisfied, following the inauguration of higher wages and improved working conditions.

Collections were reported to be satisfactory.

Brazil

(From the U. S. Embassy, Rio de Janeiro)

Sao Paulo cotton growers have completed planting the largest acreage of cotton in the history of Brazil. Although planting was late, because of the dry weather, growing conditions are now considered very desirable and the drought did no great damage to the prospects of the crop. The ginning of the 1943–44 crop is practically completed. It is reported that 450,000 metric tons of ginned cotton have been classified by the Bolsa do Mercadorias of Sao Paulo and that the final figures may run as high as 475,000 tons for the 1943–44 harvest.

A rough preliminary estimate of the 1944–45 coffee crop is that it will total from 6,000,000 to 8,000,000 bags. The trees are still suffering somewhat from the effects of the long drought.

The import duties on raw wool and woolen yarns were doubled by a decree-law promulgated on December 6. The new rates are not applicable to orders placed up to December 4, which is the date of the law. Raw wool was placed under an import-license requirement in May 1944 (see FOREIGN COMMERCE WEEKLY of September 16, 1944).

Imported fresh fruits were placed under price control by an order of the Coordinator of Economic Mobilization, published on December 14. The sales price is to be based on the consular invoice value of each shipment. The ceiling prices established on fruits due to arrive from Canada and the United States were: 10 cruzeiros (about $0.50) per kilogram for "deliciosa" apples, 12 cruzeiros ($0.60) per kilogram for "d'Anjou" pears, and 22 cruzeiros ($1.10) per kilogram for "Emperor" grapes. This is the first sizable shipment of fresh fruits to come from the United States in the past 2 years, and consists of about 800 cases of grapes and 6,500 cases of pears from the United States, besides about 6,500 cases of Canadian apples. Another ship is expected to arrive with Canadian apples.

The National Pine Institute has prohibited the establishment of additional mechanical pulp mills in locations of the States of Parana and Santa Catarina which depend upon railway transportation. This measure was taken because of congested railway transportation conditions in those districts.

The Federal Government underwrote a 10-year loan of 70,000,000 cruzeiros (approximately $3,500,000) by the Bank of Brazil to the Central of Brazil Railway. These funds will be used in part to liquidate other outstanding loans and to finance the purchase of 14 Diesel-electric locomotives already on order in the United States. The Federal Government also underwrote promissory notes in the value of $6,029,535 U. S. currency, issued by the Central of Brazil Railway, to cover the purchase of 15 electric locomotives, 3 substations, 5 sectionalized cabins, and other materials and equipment for use in connection with the electrification program of the railway.

The Ministry of Finance was authorized to issue short-term (180-day) Treasury notes up to a maximum of 2,000,000,000 cruzeiros (about $100,000,000). These will draw interest at the rate of 3 percent per annum.

Ecuador

(From the U. S. Consulate General, Guayaquil)

The commercial and industrial situation in Ecuador continues to be affected by political developments. Increased living costs have resulted in further demands by labor syndicates for higher wages, and one mining firm has been obliged to increase its wage scales by approximately 23 percent. Demands for increases averaging 40 percent are being made against a foreign-owned public utility. Congestion at the Guayaquil customhouse has increased and a large backlog of merchandise is awaiting shipment to Quito. It is feared, however, that the lack of storage space and the imminent approach of the rainy season will result in damage to a considerable quantity of goods.

The hat industry, which virtually supports the economies of the Provinces of Azuay and Canar, is pointing out the unfortunate results which may be expected following the establishment of United States price ceilings on an average of 30 percent below actual market prices. The decline in hat prices is expected to cause a certain amount of paralyzation in business circles throughout these provinces and considerable hardships to weavers, since the costs of living have risen enormously during the war. One hat exporter estimates that there will be a decline in hat production of 25 percent as weavers seek other employment.

Total sugar production for 1944 is stated to be 501,300 quintals, or about 80 percent of the 1943 sugar output, and it is estimated that domestic consumption needs will require the importation of 300,000 quintals in 1945.

Sugar refineries do not expect to increase their output in 1945 owing to Government price ceilings. On November 30, the Government authorized the exportation of an additional 300,000 quintals of rice but stated that no further exports from the 1944 rice crop will be permitted. January 1945 plantings of the winter rice crop are expected to be lower than sowings in January 1944, because of the hesitancy of private financiers to invest and dissatisfaction with

(Continued on p. 42)

622940—44——3

News by COUNTRIES

Bolivia

Tariffs and Trade Controls

Machinery, Implements, and Materials for Specified Purposes: Duty-Free Importation Authorized.—The importation into Bolivia of machinery, implements, and materials for specified purposes has been exempted from all national, departmental, and municipal duties and taxes by a law promulgated October 16, 1944. The end use for the above products must be the supplying of drinking water, the installation of electric lights, or the construction of the stadium and the hospital in the city of Totora, and in the towns of Pojo and Pocona, of the Province of Carrasco, Department of Cochabamba.

Brazil

Transport and Communication

Reconstruction on Vitoria-Minas Railway.—The Vitoria-Minas Railway in Brazil is being reconstructed to reduce grades and to insure rapid transit of freight. The new section is 135 miles in length and calls for the construction of 42 bridges and a tunnel, as well as new rails. Improvement is being made on 209 miles of track. Some traffic over the newly located sections may be inaugurated by the middle of 1945.

For maintenance purposes, shop facilities are being installed at Governador Valadares, the headquarters of the railway division of the Companhia Vale do Rio Doce, at which point the trip from Vitoria to Getulio Vargas, and vice versa, is broken by an overnight stop.

Canada

Economic Conditions

FIELD-CROP VALUE REACHES NEW HIGH

A new high was reached in 1944 in the gross value of the principal field crops produced on Canadian farms, according to preliminary estimates of the Dominion Bureau of Statistics. The value in 1944 is estimated at $1,319,000,000, $185,000,000 above the 1943 estimate and $140,000,000 more than the previous high figure of 1942. The 1944 value is almost double the 1939 total of $685,000,000.

Better than average crops, combined with slightly higher prices in most cases, brought about the increased value of production. The increase in the wheat crop was outstanding. Acreage in 1943 was at the lowest point since 1918, and the Prairie Provinces, the largest producers, suffered also from drought and insect damage. In 1944 there was an increase of 6,400,000 acres in seedings of spring wheat, and the average yields rose from 16.6 bushels to 19.1 bushels. The outturn of all wheat totaled 453,240,000 bushels, compared with only 283,660,000 bushels in 1943; the crops were valued at $477,119,000 and $287,847,000, respectively. The average value increased from $1.01 to $1.05 per bushel.

Gross Value of Field Crops in Canada During 1944

[In thousands of Canadian dollars]

Crops:	Value
Wheat	477,119
Oats	273,742
Barley	131,971
Rye	7,184
Peas, dry	3,485
Beans, dry	3,765
Buckwheat	4,668
Mixed grains	34,564
Flaxseed	23,633
Corn, shelled	11,614
Potatoes	60,232
Turnips	20,112
Hay and clover	194,063
Alfalfa	42,904
Fodder corn	17,845
Grain hay	7,905
Sugar beets	4,293
Total	1,319,099

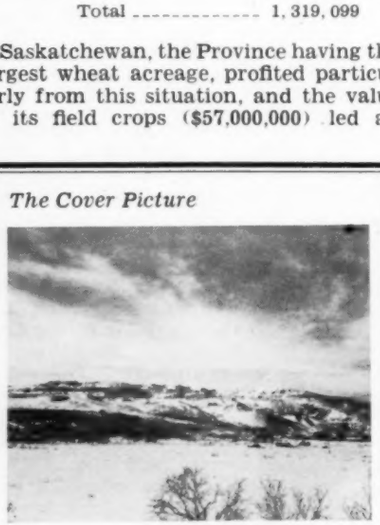
Saskatchewan, the Province having the largest wheat acreage, profited particularly from this situation, and the value of its field crops ($57,000,000) led all other Provinces in 1944. Most other Provinces also had an increase in total field-crop value. In New Brunswick, however, lower prices for potatoes resulted in a 32 percent decrease in its value of field crops. The yield of the potato crop was also lower than the high 1943 figure, notwithstanding an increase of about 10 percent in acreage.

Except for a reduction in the value of flaxseed due to smaller crops, a decrease in the value of potatoes due to lower prices, and an increase in the value of shelled corn, no significant changes took place in other crops during 1944 in comparison with 1943.

Transport and Communication

Earnings of Canadian National Railways.—Gross earnings of the Canadian National Railways in September 1944 totaled $37,788,000, an increase of $842,000 compared with September 1943. During the first 9 months of 1944 aggregate gross earnings increased to $328,148,000 from $326,949,000 in the corresponding period in 1943. Aggregate net earnings for the 9 months of 1944 were $61,211,000, a decrease of $10,907,000 from the comparable period in 1943.

The Cover Picture



Kiruna

One of the really remarkable iron-ore deposits of the world is shown in our cover picture this week—the exceptionally rich and rather easily worked deposits of the Kiruna iron-ore mountain in Swedish Lapland. The terrain here depicted has played a significant role since 1939—but *less* today than during the earlier periods of the war. The Swedish iron-ore industry is discussed in considerable detail in our feature article beginning on page 4 of this issue. The picture has been courteously furnished by the American-Swedish News Exchange.

Cuba

Economic Conditions

WAGE SUBSIDY GRANTED TO PORT WORKERS

Because of decreased tonnage imported through certain ports of Cuba, the Government by decree No. 3373, promulgated in the Official Gazette of October 9, 1944, has granted a wage subsidy to be paid to port workers, based on the difference between the monthly tonnage imported, beginning October 1, 1944, and the monthly tonnage imported during 1939. The subsidy for each port is established at 1 peso per metric ton of general merchandise and 0.50 peso per metric ton of coal less than the total imported during the corresponding month of 1939. The National Maritime Workers Federation is required to inform the Cuban Ministry of Labor every month of the proportion of the subsidy to which each class of laborers in each port is entitled.

Tariffs and Trade Controls

Classification of Boiler Flues and Boiler Tubes Clarified in the Customs Tariff.—In order that boiler flues or tubes imported into Cuba may be classified under customs tariff item 219 (in accordance with the note appended to that item), certain characteristics which they must possess have been established by the Cuban Director General of Customs in customs circular No. 96 of October 28, 1944.

Boiler flues or tubes must be made of a material appropriate for their use as such, with the usual dimensions of this part of a boiler or steam generator. They may be with or without lip-riveted seams, may have a flange at one end or no flanges at all, and the ends must be annealed to resist the action of expansion on adusting to the tubular parts of collectors of the boilers.

French West Africa

Tariffs and Trade Controls

Distribution of Industrial Products Imported Into French West Africa and French Togoland.—The procedure for distribution of industrial products, imported into French West Africa and French Togoland in any manner, among the various utilizers, after intercolonial and commercial allocation, is established by order No. 2757 T.P. of October 5, 1944, published in the Journal Officiel of French West Africa on October 21.

Industrial products imported into French West Africa and French Togoland whether through administrative channels, or through the intervention of the Committee of Foreign Commerce, or directly by a commercial firm or a private person under import license or by any other means) will, after intercolonial allocation and commercial allocation (when required) effected under the provisions of order No. 1042 S.E. of April 8, 1944, be placed at the disposal of the various utilizers in accordance with the given regulations given below. These regulations will apply to all specified industrial products imported from any source.

In each colony of French West Africa and in the mandated territory of French Togoland, the requirements of the utilizers are to be satisfied to the best interests of the colony or territory, through the resources of the Supply Stock described below. The Circumscription of Dakar and Dependencies is considered as a colony, for application of this order.

As an exception to the above, utilizers belonging to the following groups may get direct allotments made by the Direction General of Public Works (Direction of Industrial Production) at the time of arrival of goods imported through the Committee of Foreign Commerce: Direction of Railways and Transports, Direction of Communications, Office of the Niger, Military Services, (these last have their own provisions for supplies), and manufacturers belonging to a syndical organization authorized to centralize their needs. The direct allotments will be communicated to the interested colonies or territories and these groups of utilizers wil get allotments through the Supply Stock only in cases where the insufficiency of arrivals does not permit direct allotments to be given them.

All industrial products existing in storerooms and warehouses of commercial houses or factories are considered as forming part of the Supply Stock of a colony or a territory except (*a*) those having received, upon their arrival or upon being ordered, a final destination by the Direction General of Public Works (Direction of Industrial Production); and (*b*) those intended for the needs of factories holding them, on condition that this fact is made known to the Head of the colony or territory when making periodic declarations of stocks.

Any product is considered as entering a Supply Stock of a firm when it comes from either an allotment decided by the Direction of Industrial Production, by virtue of imports effected by the Government General for the common account (exception being made, however, for products the final destination of which has been decided by the same Direction), or from an importation, a transfer, or any other operation when it has not been established before arrival or permitted by the Head of the colony or territory that the products in question are intended for the Factory Stock of the firm. In particular, the Head of the colony or territory may at any time, by a simple registered letter addressed to the holder, announce his decision to consider as entering the Supply Stock all or part of the Factory Stock which he may judge to be out of proportion to the actual requirements of the factory.

Notwithstanding all other obligations resulting from regulations in effect or to be enforced, the removal of goods imported from a French territory and included in one of the categories of the annexed list will be authorized by the customs services only on the basis of a declaration furnished by the importer of the goods and specifying the tonnage imported by category of the list and, if required, the final destination of the goods.

No product listed on the Supply Stock of a firm may be put on sale, turned over to another firm, or transferred by the holding firm to an agency situated at another address, without an administrative authorization. The Governor General

Pertinent Comments on World Economy Today

[Being one of a series of excerpts from books, pamphlets, messages, and speeches]

New Instrumentalities for Economic Development in South America

During the past 5 years new types of financial and managerial organizations to deal with the problems of economic development have been evolved in the South American republics.

The *fomento* (development) organizations created in South American countries, at times with the cooperation of the United States, are not sufficiently well known. Consequently, the future potentialities of this type of organization remain unknown to those interested in similar economic problems in other countries.

The South American *fomentos* are in the process of modifying the ways in which foreign capital has been invested in South American countries since the middle of the nineteenth century. A planned and rational development of the natural resources and potentialities of countries whose economies are not fully developed did not result from the traditional form of economic imperialism. Under it, on the contrary, capital which was invested in such countries, although it brought substantial but limited benefits, did not lead to a well-considered economic development.

In some cases capital was lent to governments to carry out public works, to balance the budget, or for unspecified purposes. In other cases capital was lent to municipalities and to private companies. Frequently those who made the loans had no other interest than in floating bond and stock issues at a considerable profit. Often high discount and interest rates were charged, and in some cases graft and corruption were concomitants of the transactions. Much capital was dissipated without creating tangible benefits to the countries involved.

Although directly invested capital was often soundly and wisely invested, it was usually employed to develop some specific natural resource or to create some one specialized industry or type of agriculture. Such investments were generally made for the sole purpose of enriching the creditor. Foreign capital invested in countries with undeveloped economies has not been interested, nor has it been employed, under the traditional forms of foreign investment, in bringing about the general, well-rounded economic development of such countries.

Nevertheless, certain large American corporations with important investments in foreign countries have made considerable contributions to the social welfare and economic well-being of their workers and to the immediate communities in which they operate.

The *fomento* organizations, on the contrary, are *changing the emphasis* from limited development, through the exploitation of exceedingly profitable undertakings, to *general development* for the improvement of basic economic conditions. The *fomento* organizations are designed to provide financial, managerial, and operational instrumentalities which will assure security and a reasonable return on investments to foreign and local investors, and, at the same time, to make possible a rational and planned all-round development of the economic resources and potentialities of the countries in which investments are made.

(From a recent discussion by William Yale, Area Specialist, Office of Special Political Affairs, Department of State.)

may, however, prescribe a transfer between two colonies or territories (within the French West Africa-Togoland group) when this operation is to the Federal interest.

To satisfy requirements not provided for or to rectify, according to circumstances, intercolonial allocations made, or when it is considered opportune to suspend intercolonial allocation, certain products may be placed upon their arrival in Federal Reserve by decision of the Director of Industrial Production.

Withdrawal of products placed in Federal Reserve may be effected either under the form of allotment to certain colonies or territories as their Supply Stock or to utilizer groups, such allotments to be made by the Director of Industrial Production; or under the form of "authorization of sale" issued in case of unprovided requirements by the Director of Industrial Production after recommendation by the Head of the colony or territory interested.

Every merchant is obligated to sell, within the limit of his disposable stocks, the quantities figuring in the "authorizations of sale" presented to him signed by the Head of the colony or territory. The same rule applies to transfer operations.

The list of industrial products regulated by this order follows:

(1) Leather belting and leather articles for industrial use; industrial animal greases and oils.

(2) Pneumatic tires and inner tubes; other manufactured articles of rubber for industrial use (tubes, belting, and similar articles).

(3) Cloth for sacks, for tarpaulins or for sails, and all threads and fabrics for industrial use; other vegetable products for industrial use (oils and greases, tar, tanning materials, and like products).

(4) Wood; cork products; paper and cardboards.

(5) Coal (for heating, for ironworks, coke, briquets); liquid fuels and lubricants; asphalt and bitumens.

(6) Cement (portland, rapid-setting, and hydraulic); lime and plaster; nonmetallic roofing materials (tiles, slates, fibro-cement, and other products); other construction materials (bricks, glass, and ceramics).

(7) Abrasives (powders, grindstones, and papers); glassware; nonmetallic mineral products for industrial use.

(8) Casting pig iron; iron and steel semimanufactures; iron rods for concrete; sectional iron; plates (black and galvanized) and hoop iron tinplate; empty metal containers.

(9) Rails and railway fittings; pipes (cast iron, steel, galvanized), boiler tubes, connections, and similar articles; drawn wires (wires of iron and steel, electrodes, and other wire) and derived products (cables and netting); nails, tacks, rivets, screws, bolts, washers and pins.

(10) Hand tools of common or special steel; locksmith's work and cutlery; builder's hardware; various hardware; household articles.

(11) Aluminum and its alloys (crude and worked metal); copper (crude and worked metal); brass and bronze (crude and worked metal); lead (crude and worked metal); tin, solder, and antifriction etal; zinc; various nonferrous metals.

(12) Electric machines and apparatus and separate parts; steam machines, boilers, and separate parts; internal combustion and explosion motors and separate parts; equipment for construction, handling, mines, quarries, and separate parts; industrial machines (machine tools, woodworking machines, textile machines, and other types), and separate parts; agricultural machines and tractors and separate parts; typewriters, calculating machines, duplicators, and separate parts; scientific apparatus (medical, photographic, optic, laboratory, and other types).

(13) Locomotives and freight cars and separate parts; vehicles, automobiles, and autocars, and separate parts; motortrucks, tractors, trailers, and separate parts; cycles, motorcycles, and separate parts; freight boats, tugboats, launches, dredgers, and similar boats; other conveying equipment.

(14) Coal tars and derivatives; pharmaceutical products; industrial chemical products; photographic products (including papers, films, plates, and similar articles); paints, varnishes, and dyes; fertilizers; explosives.

[For a summary of order No. 1042 S. E. of April 8, 1944, see FOREIGN COMMERCE WEEKLY of December 23, 1944.]

Sisal Handicraft From Haiti

The War Production Board has announced that an import quota for sisal handicraft from Haiti has been established for the first half of 1945. Sisal handicraft includes such articles as ladies' handbags, table mats, and slippers.

The import quota applies to native or peasant sisal only, which is regarded unsuitable for cordage manufacture in this country, WPB said.

United States importers who are interested in purchasing this type of merchandise should communicate promptly with Haitian suppliers for an allotment, WPB said. Application Form WPB–1041 for authorization to purchase and import under General Imports Order M–63 should not, however, be submitted to the War Production Board until firm offers from Haitian suppliers have been obtained.

WPB said that no applications will be approved until official confirmation of all offers is received from Haiti.

Italy

Transport and Communication

Limited Mail Service Resumed to Additional Provinces and areas.—Effective December 20, 1944, partial mail service was resumed from the United States to the additional Italian Provinces of Ancona, Arezzo, Livorno (Leghorn), Perugia, and Siena, and to the cities of Firenze (Florence) and Pisa, together with those portions of the Provinces of Firenze and Pisa south of the Arno River, by the Postmaster General's order No. 26778 of December 18, 1944, published in the United States Postal Bulletin of December 10.

Letters and post cards (including registry service) of a personal character, not containing any kind of merchandise, will be accepted for mailing under the conditions and restrictions outlined in order No. 26737 of December 11, 1944, which increased the weight limit and permitted registration for letters to specified places in Italy and the Vatican City State.

As soon as the necessary facilities for the transmission of personal-support remittances to individuals in these Provinces and areas are reestablished, public announcement will be made by the Treasury and War Departments.

[See FOREIGN COMMERCE WEEKLY of December 23, 1944, for the text of order No. 26737 of December 11, 1944.]

Start Today
To Build Demand
for Your Products
Tomorrow

Middle East

Tariffs and Trade Controls

Middle East Supply Center Restrictions Eased.—A relaxation of the import controls administered by the Middle East Supply Center, effective January 1, 1945, has been announced jointly by the Department of State, Foreign Economic Administration, and the British Supply Council in Washington. Simultaneous announcements were made in London and Cairo. The most important change is that the Middle East Supply Center control will cease over a wide range of import items.

The shipping situation is still so acute as to limit total tonnage which can be allocated to meet Middle East requirements. Furthermore, a number of commodities are still in very short supply throughout the world and the Middle East Supply Center will continue to exercise, in respect of these commodities, its function of insuring that essential requirements for Middle East territories are adequately and equitably met.

Middle East requirements of such commodities as cereals and fertilizers, the movement of which makes heavy calls on shipping, will continue to be estimated and sponsored by the Middle East Supply Center, and import licenses for a comparatively small list of commodities in short supply, such as trucks, tires, and textiles will still require Middle East Supply Center approval, which will be delegated, whenever possible, to local Middle East Supply Center representatives.

The Middle East Supply Center control will be withdrawn for all other items. However, imports of supplies in this group will still be subject to certain limitations: exporting countries overseas may still maintain export controls; exchange control regulations may also be a limiting factor; finaly, the shipping situation will impose a tonnage ceiling on the total amount of goods that may be imported. It will, therefore, be for governments of Middle East territories to decide what is to be imported and to insure that tonnage and supplies available are used to the best advantage and to meet essential needs.

The new plan is a step in the gradual freeing of trade from wartime restrictions. As the supply and shipping situation gradually improves, the Middle East Supply Center control will be progressively withdrawn.

Panama

Transport and Communication

Via Espana to be Improved.—A project to widen and beautify Via Espana, Panama City, Panama, at a cost of $550,000 has been announced. Via Espana is a continuation of Avenida Central, Panama City's principal highway artery. The work includes construction of sidewalks and grass p lots along both sides of the avenue. Three miles from Manzanillo Bridge to Panama Vieja—are to be improved.

Peru

Transport and Communication

Construction of Railways.—The proposed railway to operate from Cuzco to Iquitos would be approximately 620 miles long and represent an investment of $15,500,000. It would leave Cuzco, pass down the valley of the Urubamba and continue east of the Ucayali River to Iquitos. It would supply a new line of penetration into a potentially rich mineral, timber, and tropical area, and supplement the Chiclayo-Maranon highway in northern Peru and the Lima-Ucayali highway in the central region. The railway would also supply transportation facilities to link southern Peru with the river system on the eastern slopes of the Andes.

Railway construction on the Cuzco-Santa Ana Railway has proceeded beyond Machu Picchu. The line may be extended to the Sepahua River and terminate at the town of Requena or Tamshiyaco.

There is the possibility that a branch railroad will be constructed from the mouth of the Sepahua River to the River Madre de Dios, opposite Puerto Maldonado, across the Isthmus of Fitzcarrald and the drainage divide of the Tres Amigos and Tahuatimano Rivers.

Portugal

Transport and Communication

Improvements in Ports to Continue.—The sum of £4,500,000 has been allocated by the Portuguese Government for improvements in several ports, states the European press. The construction of warehouses, waterworks, special equipment, and the building of quays is expected to continue until 1952.

Spain

Tariffs and Trade Controls

Production Tax on Tungsten Ore Abolished.—The production tax of 100 pesetas per kilo on tungsten (wolfram) ore produced in Spain was abolished by a decree dated September 29, 1944, and published in the Official Bulletin of November 18.

According to the preamble of the decree, the recent drastic changes in demand for tungsten ore have caused such a drop in prices that there is no justification for maintaining a tax which might be in excess of the sales price of the mineral.

[An announcement of the law of January 7, 1943, which established this tax, appeared in FOREIGN COMMERCE WEEKLY of April 3, 1943.]

Switzerland

Wartime Commodity Controls

Government Decree Protects Publishing Industry.—The Government of Switzerland has issued a decree prohibiting the founding of new publishing houses or transferring ownership of existing ones without special permission. The purpose of this action was to protect the Swiss publishing industry and prevent it from coming under foreign control, as well as to prevent the publication of propaganda books and protect domestic publishers of scientific works from foreign competition within the country. Owners of publishing houses in Switzerland must be Swiss citizens and their capital of Swiss origin. The decree also states that special permission must be obtained for the publication of all foreign writings protected by copyright, regardless of whether licenses have already been granted by the authors to foreign publishers.

Permits will be granted only if the work is deemed suitable for publication in Switzerland and if the publishing license offered is for a period of at least 5 years and for an unlimited number of copies. Permits already granted may be withdrawn at any time if not complied with, and fines of from 10,000 to 20,000 francs may be imposed. Foreigners involved in any contraventions may be deported, while the guilty publishing house may be forced to close down entirely, or in part for a certain period.

Underwater Apple Storage, Canada

Two hundred tons of apples from the Kelowna, British Columbia, crop this year are in storage in Okanagan Lake. The Canadian National Railways granted permission to the B. C. Tree Fruits Ltd. to use its pier at Okanagan Lake for the experiment in an effort to save apples which otherwise would rapidly deteriorate in consequence of the shortage of storage space.

Herring net, 600 feet of it, was attached to the pier piles and then weighted with lead. The net sinks down into the water to a depth of 10 feet and covers the area under the pier. Culls, or low-grade apples, are being used, and, if they are saved by water storage, they will be used for dehydration and other byproducts and if the experiment is unsuccessful the loss will be negligible.

Revolving belts will go down into the water corral, pick up apples, and bring them into receptacles on the pier when required.

Uruguay

Transport and Communication

Statistics Covering Activity on Railways.—The Government-owned railway systems in Uruguay during the period January-May showed a slight increase in the number of passengers carried, totaling 348,000 in 1944 and 300,000 in 1943; freight carried increased to 158,952 metric tons from 151,023; and receipts totaled 710,000 pesos, compared with 596,000 pesos.

Passengers carried on privately owned railroads during the 7 months ended July 1944 totaled 2,700,000, compared with 2,394,008 in the like period of 1943; freight dropped to 1,089,332 metric tons from 1,120,888; and receipts declined to 9,235,000 pesos from 9,363,000. The decline in receipts for the privately owned railways was said to be caused primarily by the falling off of profitable freight traffic.

During June 1944 there was a material improvement in freight carried by the privately owned railways, as a result of the increase in cattle movement, but the month of July saw a reversal again.

Venezuela

Economic Conditions

The basic factors affecting Venezuelan economy during the third quarter of 1944 showed little change from the generally favorable developments of the first half of the year. Petroleum production continued its steady rise to record levels, future increases in productive capacity being assured by the granting of new concessions, exploratory drilling, and the installation of new pipe lines, roads, and other facilities. The extensive public-works program, to which approximately 145,000,000 bolivares of the total revised budgetary appropriation of 400,000,000 bolivares for this fiscal year had already been allocated, also contributed to the improvement of business conditions in the interior. The previous high levels of private construction and real-estate activity, particularly in the Caracas area, were being maintained with a continued stimulation of the demand for both domestically produced and imported materials. Also reflecting brisk business conditions and the abundance of idle funds available for investments were rising security values, commercial bank deposits and loans, check clearings, and projects for industrial development.

With the country still primarily dependent on imported supplies, the de-

velopment and operation of industries dependent on foreign equipment and raw materials were stimulated by the high volume of imports, which, during the third quarter, reached a level exceeded only in the peak year, 1939. The movement of consumption goods was similarly affected. The increase in supplies of imported merchandise and materials was accompanied by the entry of newly harvested domestic crops into the market, with a consequent sharp drop in many food prices. The Central Bank's general wholesale price index recorded a decline during the quarter of 1.6 percent for domestic products and of 4.1 percent for imported.

Crops throughout the country were reported to be exceptionally good; inadequacy of storage and distribution facilities constituted the major problem. The 1944–45 coffee crop was estimated at about 40 percent more than that of 1943–44, which, with the increase in the premium allowed on coffee export exchange, effective August 15, foreshadowed an exceptionally good year for the growers.

Reflecting rising petroleum production and imports, Government receipts of 127,000,000 bolivares during the quarter exceeded the proportional budgeted estimate by 50 percent and expenditures by 24,000,000 bolivares.

Industrial Developmment

Industries generally experienced satisfactory conditions during the quarter. In addition to supplying the domestic market, fish packers continued efforts to develop exports in order to use their full productive capacity. Automobile and truck tires were produced at the normal average monthly rate of nearly 3,400 units. Furniture manufacture was continued at capacity. Leather production was reported to have been approximately 10 percent greater than during the comparable period of 1943. A less satisfactory condition, however, prevailed in the shoe manufacturing industry, which was affected by strong competition from numerous household producers. Cigarette factories operated at capacity, but returns were restricted because of keen and apparently uneconomic competition within the trade. Textile weaving mills worked on the basis of from one and one-half to two shifts daily, production being limited by a shortage of skilled workers and a desire to conserve machinery. The rayon supply eased slightly, owing to increased yarn imports. The vegetable-shortening business operated on a current basis and plans for the establishment of a new vegetable-oil plant by one of the leading soap manufacturers were postponed, because of labor difficulties.

New industrial plants, projected or under way during the quarter, included an American-controlled can-manufacturing and fish-packing plant at Cumana; two additional fish-packing plants in the formative stage, one of which is to be capitalized at 200,000 bolivares; the organization of a subsidiary of an American tire-manufacturing company in Caracas; a sulphuric-acid plant at Puerto Cabello; an asbestos-cement plant; and a new tannery at Puerto Cabello. The production of powdered milk was begun during the quarter, and 24,000 liters were reported to be processed daily.

Important extensions of various industries occurred during the quarter, among which were the cement, rubber-tire, and paint industries. The enlargement of the textile industry was contemplated.

Petroleum Industry

Petroleum production rose from a daily average of 750,000 barrels at the end of June to 821,000 barrels at the end of September; the daily average during the quarter was 801,000 barrels. This represents a substanial increase over the average of 668,000 barrels during the preceding quarter, 570,000 for the January–March period, and 452,000 during the third quarter of 1943. The increase was due primarily to the augmented drilling activities of the two major companies operating in eastern Venezuela, as well as to the greater availability of tankers.

Construction of a new 16-inch trunk pipe line from the Jusepin-Mulata field to Puerto de la Cruz was expected to be completed early in December. This, coupled with anticipated arrivals of additional drilling and pumping equipment, should bring production up to 950,000 barrels daily during the first quarter of 1945.

The conversion of old concessions under the 1943 petroleum law was completed by June 30, with the issuance of new titles aggregating 5,711,728 hectares.

Activity in the oil fields on drilling, construction of pipe lines, roads, storage tanks, and workers' quarters, as well as exploration, was approaching boom proportions, with excellent business and full employment. The extent to which the Government treasury is to benefit from its current program is indicated by the generally accepted estimate of 80,000,000 bolivares in extraordinary revenue from new concessions, in addition to an increase of approximately 50 percent over budgeted production royalties, owing to a sharp rise in output.

Mining Activity

It is understood that the long-pending revision of the mining law is soon to be promulgated. It is believed that this step will be followed by Government action on pending mining concession applications (bauxite and diamonds) and the filing of applications held back until publication of the revisions. So far as it is known, the principal revisions will provide for simplifications in the procedure for obtaining concessions and in the tax system. Diamond production will be taxed at the rate of 3 percent of the Caracas market price, and all other minerals and gold will be taxed at the rate of 1 percent.

Gold production during the period April–June 1944 registered a small increase to 611,579 grams from 554,837 grams during the preceding quarter. Diamond production amounted to 6,662 carats, representing a slight decline from the 6,789 carats produced during the preceding quarter and a substantial increase over 3,655 carats during the period April–June 1943.

Agriculture

Reports from agricultural districts confirmed previous estimates of generally good and even record crops of corn, rice, plantains, and beans. Weather conditions had been favorable. Potatoes constituted an exception because of inadequate supplies of seed potatoes, according to the Ministry of Agriculture.

Estimates of the lint cotton crop varied from 3,000 metric tons to 3,500 metric tons. The large yield is attributed to the reduced acreage permitting more adequate pest control. By agreement with manufactures, lint prices were fixed at 100 bolivares per 46 kilograms for American types and 80 bolivares for native qualities. Duties on imported raw cotton were temporarily reduced from 2 bolivares to 0.40 bolivar per kilogram.

Does Java Need More Food?

The Japanese Military Authorities on Java (Netherlands Indies) appear to have been unable to solve the problem of turning the island's fertile soil into the "sole supply garden" for Japanese troops in the southern Pacific. Although as early as May 1944 Java's 1,100 plantations were handed over to 22 Nipponese firms, with the instruction to convert them to the cultivation of foodstuffs and fibers, a number of reports from Domei, Japanese News Agency, admitted that very little progress in this direction has been made. Overlooking the fact that the decree ordering the change-over was issued on May 1, the Domei dispatches make it appear as if such conversions are matters to be dealt with in the future.

"The Military Administration has decided to convert part of Java's various plantations to foodstuff cultivation as a measure to insure the foodstuffs requirement of plantation workers," one report stated. "Rice, maize, sweet-potatoes, cassava and other foodstuff plants will be raised in designated areas."

Another Domei report brought to light the growing need for rice. "As a means for improving rice cultivation methods, the Military Administration will sponsor an island-wide rice crop contest for the period from October 1, 1944, to the end of July 1945," the dispatch said. "Each province will offer prizes ranging from 10 to 100 guilders to farmers responsible for the largest crops per 10 acres. The Military Administration headquarters will then select an all-Java winner. Prizes for the latter contest will range from 250 to 1,000 guilders."

The latest official estimates placed the 1944–45 coffee crop at approximately 950,000 bags (60 kilograms each) and the exportable surplus between 650,000 and 700,000 bags. This represents an increase of from 30 to 40 percent above the 1943–44 crop, of which approximately 350,000 bags were exported. Serving further to improve the coffee and cocoa growers' situation was an increase of 0.50 bolivar in export exchange premium rates, effective August 15, from 4.30 bolivares to 4.80 bolivares per dollar on washed coffee (lavado) and from 3.75 bolivares to 4.25 bolivares on unwashed coffee (trillado) and cocoa. This compares with the current bank dollar-buying rate of 3.33 bolivares.

The lack of adequate storage facilities leading to alternate periods of glut and scarcity still constituted one of the most serious agricultural problems in the country. Experiments were being conducted with the technical assistance of the American Food Mission for the eventual supplementing of the few large Government-owned silos scattered throughout the country with small farm silos having a capacity of from 7 to 30 tons.

Refrigeration facilities for the storage of perishable fruits and vegetables were being provided through the conversion of a long-unused 4,000 cubic-meter meat-refrigeration unit of the Government-owned slaughterhouse at Maracay.

Another Government project of interest is the parcelation and reclamation, under the auspices of the American Food Mission, of the 2,000-hectare Government-owned Hacienda Tocoron near Maracay, which has been utilized chiefly as a cattle-fattening pasture. Subdivisions will be in plots of from 50 to 100 hectares to be distributed among carefully selected farmers for agriculture and dairying on 3-year options and a 20-year payment plan. If successful, the idea will be extended to numerous other Government-owned properties.

Foreign Trade

Unofficial figures show that the rising import trend was carried into the third quarter of 1944 when ship-borne entries aggregated about 162,000 metric tons. This figure compares with approximately 158,000 metric tons during the preceding quarter, 82,711 tons in the 3-month period July-September 1943, and the all-time peak of 175,577 metric tons per quarter in 1939. Entries from the United States showed a slight decline from 146,000 metric tons in the 1944 second quarter to 145,000 in the third quarter. These imports represented 92 percent and 89 percent, respectively, of the total.

Petroleum company supplies and equipment constituted by far the major single import group, with substantial arrivals also recorded for cement, structural and other iron and steel products, and wheat flour. Other and relatively unusual import items were 3,900 metric tons of wood pulp from Sweden, about 15,000 metric tons of rice from Ecuador, 1,000 metric tons of cotton lint from Peru, and 3,000 metric tons of Uruguayan corn.

Coffee exports during the July-September period of the past year totaled 69,811 bags (60 kilograms each), compared with 92,510 bags during the preceding quarter and 45,588 bags during the third quarter of 1943. Total export shipments for the quota year ended September 30, 1944, amounted to only 350,204 bags, representing a decline of 139,815 bags from the past quota year and of 208,381 bags from October 1941 to September 1942. With third quarter exports to the United States totaling 64,617 bags, shipments during the quota year totaled only 339,174 bags, a deficit of 214,478 bags under the Inter-American coffee quota of 553,652 bags for Venezuela.

Cocoa exports aggregated 3,951,000 kilograms during the period under review and during the first 9 months of 1944 amounted to 13,450,000 kilograms, an increase of 550,000 kilograms (4 percent) over the corresponding period of 1943. Exports to the United States rose 9 percent to 9,420,000 kilograms.

Stimulated in large part by the wartime shortage of cocoa and sugar, Venezuelan chocolate exports to the United States have been increasingly important. Shipments during the quarter under review totaled 187,600 pounds, valued at 448,450, making a total of 270,950 pounds, valued at $78,310, during the first 9 months.

Market Conditions and Prices

With former shortages in many cases eliminated by the considerably improved volume of imports during the past 6 months, and with money plentiful, owing to the accelerated rate of petroleum operations, the extensive public-works program, and crop receipts, both wholesale and retail trade were active with a good turn-over.

As the United States supplies the bulk of import requirements, and buying from other markets was restricted because of nonavailability, inferior quality, or excessively high prices, shortages were largely restricted to products on quota allocation from the United States. Among such items were barbed wire, steel beams, iron pipes, electrical conduit and wiring devices, hardware, glass containers, paper, wool fabrics, cotton and rayon piece goods, household and office appliances, agricultural equipment, various chemicals, canned goods, and powdered milk.

Iron reinforcing bars, cement, caustic soda, calcium carbide, soda ash, gum shellac, borax, and semirefined paraffin wax were still a drag on the market with sales reportedly being made at or below cost in some cases. Previous shortages of vegetable oils and fats were, to a large degree, eliminated by heavy lard imports from the United States and Argentina, as well as by limited entries of peanuts, sunflower seeds, and copra for the domestic vegetable-oil industry.

Serious shortages in domestic meats and dairy products had been encountered for some time. The scarcity of meats, attributed to a declining cattle population, as well as to the reluctance of ranchers to sell at currently regulated prices, led to a ruling by the National Supply Commission on September 1, restricting the slaughter of cattle on Saturdays and the sale of meats on Sundays.

Changes in the supply situation were reflected in the various wholesale price indexes prepared by the Central Bank for the Federal District. With both imports and agricultural crops entering the market in fairly considerable amounts, the general price index reversed its previously rising trend for a decline of 1.6 percent (2.19 points) during the quarter to 133.74 on September 30. Imported products fell off by 4.1 percent to 154.93 while domestic products rose by 2.1 percent to 130.02.

Transportation

A new civil aviation law, promulgated July 13, 1944, laid the legislative ground work for Venezuelan participation in the important aviation developments anticipated in the post-war period. The

WSA Measures for Merchant-Marine Personnel

Emergency pools of officers and seamen will be maintained in Leyte, Philippine Islands, and in strategic Southwest Pacific ports to man vessels of the United States Merchant Marine in the Pacific war zone, Capt. Edward Macauley, Deputy War Shipping Administrator, announced recently.

Merchant ships are designed to carry only a normal crew of about 45 men. Sufficient space aboard merchant vessels does not exist to carry replacements for those who become injured, sick, or lost through enemy action.

Coincident with the announcement of emergency manning pools in the Pacific, Captain Macauley revealed that WSA had representatives on the spot in Antwerp, Cherbourg, Havre, Marseille, and at Anzio and the Normandy beachheads simultaneously with the arrival of merchant ships.

"In fact, representatives of WSA were in Antwerp setting up hotel facilities for American merchant seamen while the Germans still controlled the Scheldt Estuary, preventing the arrival of American merchant ships with vitally needed war cargoes for troops fighting in Germany," Captain Macauley said.

The WSA, in conjunction with United Seamen's Service, maintains a small vessel in the Southwest Pacific, the S. S. *Klang*, as a roving hotel, emergency first-aid station, and recreation and rest home for American merchant seamen in the Pacific war zone.

Thus far in the war, it has been possible to have WSA set up facilities ahead of the arrival of heavy merchant shipping in practically every war-zone port, including facilities on the beachheads in Normandy, Southwest Pacific, and the Mediterranean, WSA said.

Swiss Help for War Victims in Neighboring Countries

The Swiss Government has asked Parliament to approve a credit of 100,000,000 francs to help war victims in neighboring countries. The necessary funds will come from individuals and organizations, and assistance will be rendered by certain private organizations rather than by the Government.

In connection with this nation-wide campaign, university students hope to raise 1,000,000 francs to help buy books for destroyed university libraries in Europe, or to help in the publication of such books in Switzerland.

It is planned to spend another 1,200,000 francs in providing sets of utility furniture, 1,000 sets each for Italy, France, Germany, and Austria, to be used in areas lying within a radius of 300 kilometers from the Swiss border. The emergency furniture outfit, the invention of an Austrian refugee connected with the Swiss Red Cross, consists of two couch beds; a cupboard; a kitchen table; four stools; and an aluminum set consisting of two cooking pots and four cups, soup plates, knives, forks, and spoons.

The two couches when reversed form a strong packing case 195 centimeters long, 85 centimeters wide, and 40 centimeters high. Most of the other furniture can be taken apart and assembled at will and together with the kitchen utensils can be packed within the couches, thus facilitating transport.

The cost of such an outfit is estimated at 300 francs. The inventors have renounced all royalties therefrom in favor of the Swiss Red Cross.

Linea Aérea Taca de Venezuela, a new air line, was established in Venezuela on August 18, 1944.

Domestic air traffic during the third quarter of 1944 increased over the comparable period of the former year. The number of passengers and the weight of mail and cargo carried by the Línea Aeropostal Venezolana (LAV) were 23 percent, 37 percent, and 16 percent greater, respectively. Aerovías Venezolanas, S. A., primarily a freight line, carried an almost equal quantity of air cargo and one-seventh as many passengers as LAV.

The Government airport construction program progressed at several landing fields, the most important being at Barcelona. Initial steps were taken by the Sociedad Promotora de la Compañía Gran Ferrocarril de los Llanos for the financing and the acquisition of the roadbed, rolling stock, and other equipment needed for its projected railroad to link the interior plains of Venezuela with the primary consuming centers of the country.

The continued arrival of trucks from the United States, raising the total thus far in 1944 to approximately 500 units, partially ameliorated the shortage of road transportation equipment. The tire shortage continued acute despite the production during the quarter under review of more than 10,000 tires by the local tire factory and imports of truck tires and tubes from Brazil, which reached a total of more than 7,500 units and 6,500 units, respectively, since the first of the year.

Construction

Supplementary public-works appropriations to cover projects included in the 1941–46 public-works program aggregated 30,322,000 bolivares, thereby raising the 1944–45 public-works appropriation to 143,212,000 bolivares, or 35 percent of total expenditures.

To an extent stimulated by public-works improvements, as well as by the long-retarded growth in housing and office facilities, the surplus of investable funds and the traditional preference for real estate as an investment medium, private construction continued at a near-boom level.

Official statistics for Caracas proper, not inclusive of its rapidly growing suburbs, give a total of 322 building permits for construction, valued at 18,600,000 bolivares, during the July-September quarter. This represents a decline from 22,850,000 bolivares during the preceding quarter, but a level exceeding 15,255,000 bolivares during the period January-March and quarterly averages of 18,150,000 bolivars and 9,820,000 during 1943 and 1942, respectively.

Money and Banking

Financial indexes almost uniformly reflected active business conditions, rising petroleum operations, and the maintenance of a relatively large volume of imports.

Check clearings reached the unprecedentedly high level of 506,000,000 bolivares during the 3-month period July-September, as compared with 470,000,000 during the preceding quarter and 349,000,000 in the period ended September 1943. Commercial bank loans and investments were up 8.5 percent to 272,000,000 bolivares during the 2 months ended August 31 with noninvestment deposits during the same period recording an increase of 3.2 percent to 318,000,000 bolivares. The Central Bank stock price index (1938=100) recorded an increase of 5.1 points (3.3 percent) to 161.3 during the quarter ended September 30.

The Central Bank showed a quarterly foreign exchange surplus of 24,400,000 bolivares. Gold and foreign exchange holdings of the bank rose correspondingly to 395,600,000 bolivares. With petroleum and customs revenues well in excess of estimates, Government receipts during the first quarter of the fiscal year totaled 127,000,000 bolivares, 50 percent higher than that budgeted. Government expenditures totaled 103,000,000 bolivares, leaving a surplus of 24,000,000 bolivares for the period, and an increase in the Treasury surplus to a total of 133,000,000 on September 30. As of the same date, the Government's internal debt amounted to only 25,000,000 bolivares.

Labor and Social Security

Presidential sanction has not yet been given to a bill to amend the Labor Law of 1936, which was passed by the Congress shortly before its adjournment on July 21, 1944.

Government recognition of higher costs of living was manifested in wage increases to Federal employees, effective September 16, of 15 percent on monthly salaries up to 500 bolivares and of 7½ percent on those between 500 and 1,000 bolivares.

The compulsory Social Security Law of July 24, 1940, as amplified by the regulations thereto of February 19, 1944, was made effective October 9, 1944, to apply initially to Caracas and the two neighboring municipalities of Chacao and Petare. Preliminary data indicate that 3,796 employers and 57,540 workers are affected. It is proposed to extend the system gradually throughout the country on the basis of experience acquired in the Caracas area.

National Supply Commission

By an Executive decree dated August 15, Government control agencies in Venezuela were unified into the National Supply Commission, which was endowed with wide control powers and given increased enforcement personnel to insure the effectiveness of its efforts.

The powers granted as regards price control and supplies included the establishment of fixed prices for essential commodities, the purchase and sale of goods in short supply, and the control of rents. Essential products were defined by a concurrent resolution as including all foodstuffs and a wide list of imported products. The Commission has taken action to restrict imports of hog lard on the ground that the domestic market had been oversupplied, and to authorize the importation of butter for a period of 6 months from October 27, 1944, because domestic production was insufficient to supply domestic requirements. The importation of pharmaceutical products was also authorized on a more liberal scale.

Cuban Canned-Milk Business

Reduced milk production as a result of the severe droughts during the past two winters, together with increasing purchasing power, has made it necessary for Cuba to import canned milk to supplement its domestic production. Stocks of canned milk are usually built up during the late summer and fall to provide about 130,000 cases (largely condensed milk) as a carry-over on January 1 to offset reduced production during the winter and early spring. Present reduced production has not permitted such stocks to be accumulated this fall, and, as a result, the carry-over will probably be only about 30,000 cases on January 1, 1945.

Foreign-Trade Figures, First 11 Months of 1944

The Bureau of the Census, Department of Commerce, has announced that the total United States exports during November 1944 were $1,186,000,000 and that the non-Lend-Lease part of the total reached the high level of $283,000,000. The value of all exports including Lend-Lease for the 11 months of 1944 amounted to $13,147,000,000, exceeding by 15 percent the total value of exports for the same period of 1943. The $283,000,000 for non-Lend-Lease exports in November brings the 11-month total to $2,730,000,000, which is 12 percent higher than the first 11 months of 1943. Total non-Lend-Lease or commercial exports at a level of $283,000,000 in November 1944 and $263,000,000 for the average of the past 6 months compares very favorably with the pre-war volume of commercial trade which showed an average of $265,000,000 for 1939, the last pre-war year. Price changes have not been allowed for in these figures. Merchandise exported under the Lend-Lease program was valued at $903,000,000 in November and comprised 76 percent of the total value of exports during the month compared with 80 percent for 1943 and 79 percent for the 11 months of 1944.

In releasing these data the Bureau of the Census pointed out that part of the increase in November exports was due to the inclusion of shipments which normally should have been included in the October export figures. Information on these shipments was received too late for inclusion in the October statistics and has been included in those for November. If this factor were corrected, the total exports for the month of October might be increased by 5 or 10 percent and the November figures correspondingly decreased.

General imports (arrivals) of merchandise into the United States during November 1944 were valued at $320,000,000. This figure represents a decrease of 2 percent from the October 1944 general-import total of $327,000,000 and an increase of 3 percent over the November 1943 general import total. Imports have been running consistently higher in 1944 than in 1943, the average for the first 11 months being $325,000,000 for 1944 compared with $281,000,000 for 1943. The 1944 average monthly value of imports has also been substantially exceeding pre-war levels, the 1944 average being about $100,000,000 per month higher than in 1939, the last pre-war year.

Summary figures on exports and imports and revisions in previous months' totals are presented in the accompanying tables.

(Continued on p. 40)

Value of United States Exports, January 1943 Through November 1944

[In thousands of dollars]

Month	Total domestic and foreign merchandise (including Lend-Lease)		Domestic merchandise (including Lend-Lease)		Total Lend-Lease domestic and foreign merchandise	
	1943	1944	1943	1944	1943	1944
January	730,498	1,090,231	722,315	1,081,539	535,057	889,943
February	719,176	1,083,718	710,691	1,074,874	528,535	877,599
March	938,512	1,156,167	973,805	1,146,493	777,060	910,645
April	979,166	1,189,608	969,583	1,179,789	774,685	950,235
May	1,084,790	1,422,597	1,076,047	1,413,284	847,956	1,160,339
June	1,001,739	1,277,337	995,427	1,268,840	790,198	1,017,381
July	1,261,299	1,197,209	1,253,499	1,190,158	1,032,173	936,478
August	1,202,392	1,205,737	1,191,354	1,198,527	985,878	927,576
September	1,235,230	1,197,942	1,218,517	1,191,764	1,004,249	950,923
October	1,194,972	1,137,774	1,187,250	1,132,488	951,715	890,084
November	1,072,064	1,185,549	1,060,330	1,177,070	856,819	902,614
December	1,244,047		1,231,722		1,022,312	
January–December [1]	12,713,885		12,590,538		10,106,637	

[1] Totals represent sum of unrounded figures, hence may differ slightly from sum of rounded amounts.

Values of United States Export and Import Trade in Gold and Silver With Latin American Republics and Canada, June 1944

[In thousands of dollars]

Country	Exports				Imports			
	Gold	June gold	Silver	June silver	Gold	June gold	Silver	June silver
Mexico					311	190	914	559
Guatemala						2		
El Salvador					61	58	(1)	14
Honduras					43	91	80	185
Nicaragua					948	290	13	3
Costa Rica								
Panama, Republic of								
Cuba	2	10	375				2	
Dominican Republic					7	8		
Colombia								
Venezuela	9,004	5,338			178	201		
Ecuador					221	317	9	18
Peru					428	553	761	294
Brazil		110		4				
Uruguay	15							
Bolivia					33	3	70	455
Chile	566	2,091			311	220	782	251
Argentina	7,446	7,465					8	
Total [2]	17,033	15,015	375	4	2,541	1,934	2,639	1,780
Canada			21	21	410	367	248	360

[1] Less than $500.
[2] Totals represent sum of unrounded figures, hence may differ slightly from sum of rounded amounts.

Value of United States Imports of Merchandise, January 1943 Through November 1944

(Continued on p. 40)

Month	General imports [1]		Imports for consumption [2]	
	1943	1944	1943	1944
January	228,878	300,122	246,240	304,569
February	233,866	313,178	244,899	304,567
March	249,342	358,498	264,058	357,252
April	257,712	360,146	267,588	356,273
May	281,345	386,386	285,449	372,697
June	295,304	331,377	287,654	321,791
July	301,698	294,467	295,980	288,696
August	315,859	301,591	306,796	296,033
September	286,352	280,426	285,259	278,273
October	329,168	327,178	317,293	330,278
November	311,084	320,192	302,022	322,298
December	281,480		277,640	
January–December [3]	3,372,087		3,380,879	

[1] General imports include entries for immediate consumption and entries into bonded coustoms warehouses.
[2] Imports for consumption include entries for immediate consumption and withdrawals from bonded customs warehouses for consumption.
[3] Total represent sum of unrounded figures, hence may differ slightly from sum of rounded amounts.

Values of United States Export and Import Merchandise Trade With Latin American Republics and Canada, June 1944

[In thousands of dollars]

Country	Total exports [1]	General imports [2]	Imports for consumption [3]
Mexico	25,636	15,359	16,041
Guatamala	900	1,682	1,680
El Salvador	675	959	948
Honduras	707	621	608
Nicaragua	417	953	953
Costa Rica	1,623	449	449
Panama, Republic of	2,350	95	153
Cuba	16,023	33,102	32,738
Haiti	894	1,083	1,083
Dominican Republic	1,655	2,053	2,056
Colombia	6,803	11,041	11,047
Venezuela	6,975	4,752	4,691
Ecuador	1,813	1,380	1,358
Peru	3,689	3,614	3,314
Bolivia	657	2,952	2,759
Chile	5,206	13,952	13,553
Brazil	14,951	21,234	21,475
Paraguay	275	389	389
Uruguay	2,284	748	1,648
Argentina	2,338	11,942	11,371
Total [4]	95,870	128,360	128,314
Canada	131,541	102,959	103,306

[1] Includes domestic and foreign merchandise.
[2] General imports include entries for immediate consumption and entries into bonded customs warehouses.
[3] Imports for consumption include entries for immediate consumption and withdrawals from bonded customs warehouses for consumption.
[4] Totals represent sum of unrounded figures, hence may differ slightly from sum of rounded amounts.

News by COMMODITIES

Automotive Products

Imports of Automotive Vehicles, Brazil

Automotive vehicles were in the list of principal imports into Sao Paulo, Brazil, in pre-war years. The following table shows the number and value of imports from 1938 through 1943:

Imports Through Santos, the Port for Sao Paulo, Brazil

Year	Number of units	Value (thousands of dollars)
Passenger automobiles and chassis:		
1938	9,735	5,284
1939	10,027	5,945
1940	12,593	8,013
1941	11,237	8,008
1942	2,041	1,715
1943	9	11
Trucks, busses, and chassis:		
1938	7,427	4,000
1939	8,273	4,941
1940	8,728	5,415
1941	10,275	6,431
1942	4,597	2,959
1943	4	18

Beverages

Wine Industry in Argentina

The 1944 grape harvest of the Province of Mendoza, Argentina, is estimated to have yielded 6,487,785 hectoliters (1 hectoliter=26.42 gallons) or about 20 percent less than the 8,165,010 hectoliters produced in 1943, says the foreign press. On the other hand, the rate of release or "export" of Mendoza wine to the internal market has shown a steady increase in recent years.

The following table shows wine released for sale in Argentina in the period November to June of the years 1940–41 to 1943–44, inclusive:

Year (November to June, inclusive)	Mendoza wine released for sale	Total of wine released for sale
	Hectoliters	*Hectoliters*
1940–41	3,854,870	5,101,830
1941–42	3,866,649	5,185,430
1942–43	3,933,160	5,276,690
1943–44	4,621,250	6,006,860

The upward trend in the consumption of wine in Argentina in the past few years, particularly in 1943–44, is attributed to increased purchasing power.

Canadian Production and Consumption

Production of malt liquor in Canada in the year ended March 31, 1944, was 104,000,000 gallons, compared with 109,000,000 gallons in the preceding year and 63,000,000 gallons in 1938–39.

Canadian consumption of malt liquor in 1943–44 totaled 91,000,000 gallons, compared with 98,000,000 in 1942–43 and 63,000,000 gallons in 1938–39. Exports amounted to 63,000,000 gallons, compared with 5,800,000 gallons in 1942–43 and only 100,000 in 1938–39.

The relatively high consumption of beer was in sharp contrast to the smaller consumption of spirituous liquors and wines. Production of spirits rose to 27,000,000 proof gallons, compared with 20,000,000 in 1942–43 and 10,000,000 in 1938–39. This is attributed to increased production of industrial alcohol for war purposes.

The quantity of spirits produced in 1943 and placed in bond for maturing was curtailed from 9,000,000 proof gallons in 1942 to 2,700,000 in 1943. Sales of matured spirits fell slightly from 7,000,000 proof gallons in 1942 to 6,400,000 in 1943. On the other hand, the great demand for industrial alcohol raised the output of alcohol not placed in bond from 9,800,000 proof gallons in 1942 to 20,300,000 in 1943. The marked shift in the kinds of materials used by distillers is indicated by the following table:

[In millions of pounds]

Item	1940	1941	1942	1943
Corn, Canadian	38.6	48.8	61.1	5.3
Corn, imported	56.1	38.8	33.4	17.7
Rye	18.8	30.8	23.3	7.4
Wheat		4.4	65.7	319.6
Other grains	1.2	.7	1.0	0
Malt	17.3	17.1	27.4	38.2
Molasses	92.2	125.8	93.9	.6

Canada's 30 wineries used 26,600,000 pounds of grapes during 1943, compared with 46,600,000 pounds in 1942. The reduction was associated with limitations placed on the production and sale of wine.

New Swiss Device To Make Typed Copies

A new firm called "Multicop" has be founded in Frauenfeld, Switzerland, for the sale of an original byproduct of the Swiss watch industry. This is a small apparatus which can assertedly be fitted to any typewriter, eliminating the use of carbon paper.

It is built on the principle of inter leafing sheets of paper with typewriter ribbons. For example, if five sheets of paper are used, sheets 1, 3, and 5 appear as originals, while sheets 2 and 4, of thin transparent paper, are impressed on the back.

Beer Manufacture and Consumption, Peru

Lager beer of excellent quality is manufactured in Peru, and is the most popular drink of the higher-income group.

There are seven breweries operating in Peru. They are located in Arequipa, Callao, Cerro de Pasco, Huancayo, Lima, and Trujillo. Light and dark beer and malt extract are produced, with light beer averaging 72 percent of total production and dark beer and malt extract 28 percent.

Estimates believed to be accurate show beer consumption as 4.24 liquid quarts per capita per year, based on the total production of Peru. However, based on the 1,000,000 persons in the higher-income group, by whom the two largest breweries estimate that beer is the most popular drink, consumption per capita per year is more than 7 gallons.

About 80 percent of all beer produced in Peru is brewed in the country's two largest breweries, one located in Callao and the other in Lima. Production of all types of beer in these two breweries in the years 1935 to 1943, inclusive, is shown in the following table:

[Unit—U. S. barrels of 31 gallons each]

Year	Lima brewery	Callao brewery
1935	154,167	133,061
1936	186,979	138,715
1937	206,165	182,456
1938	216,421	189,492
1939	269,952	238,547
1940	287,594	231,874
1941	296,655	253,723
1942	334,452	308,609
1943	370,577	340,960

Neither Peru's exports nor imports of beer are important. Beer from the United States is not known in Peru. There is a small quantity of black beer imported from Great Britain, and certain German beers were imported before the war, all for the luxury trade.

The price of beer in Peru is controlled by the Government and it has been kept so low that beer costs much less than the same quantity of bottled ginger ale.

Portuguese Port-Wine Exports

Of the 227,000 liters of Port wine exported from Portugal in September 1944, Brazil took the largest quantity, 79,000 liters, says the foreign press. Canada and the United States were the next best customers for Portugal's wine.

Chemicals

Brazil's Imports of Chemical Fertilizers

Imports of chemical fertilizers through the port of Santos, Brazil, amounted to 16,663 metric tons in 1943, whereas they totaled 28,037 in 1942, and 36,484 in 1938.

according to preliminary statistics released for publication. C. i. f. values are given as $814,000 in 1943, $1,009,000 in 1942, and $860,000 in 1938.

The serious shortage of chemical fertilizers in the Sao Paulo area is shown by the reduction in volume of more than 50 percent in 1943, compared with 1938, the last pre-war year.

Increased Match Production, Paraguay

Production of matches in Paraguay in 1943 increased 8 percent over the preceding year. Comparable figures are given as 10,886,018 and 10,040,826 boxes, respectively.

Coal, Coke, and Fuel Gases

Imports, Santos, Brazil

Imports of coal into the port of Santos, Brazil, which amounted to 211,356 metric tons in 1938, were only 43,945 metric tons in 1942 and 34,080 metric tons in 1943.

Coke imports through this port increased from 12,092 metric tons in 1938 to 13,987 metric tons in 1942 and 14,566 metric tons in 1943.

Shortage of Motor Fuels, Finland

All busses and trucks in Finland are driven by producer gas, says the British press. Supply of solid fuels for gas-generating installations has been seriously curtailed because of lack of labor, but materials are in great abundance. Charcoal and wood are the chief fuels used for this purpose.

Strict measures have been necessary to insure proper use of available fuels, it is said. Early in 1944 all long-distance traffic was temporarily suspended and trucks were required to obtain special permits for driving more than 20 miles away from the cities. Speed limits on all vehicles have been carefully enforced.

Some progress has been made in the manufacture of motor alcohol from wood pulp, a process which has been highly successful in Sweden. Most wood-pulp plants have been fitted with extraction equipment, but alcohol produced this way is used for admixture with gasoline, little of which has been available.

The most serious shortage has been in the field of lubricating oils, which it has been almost impossible to obtain. Small quantities have been made from peat, of which Finland has vast resources. Efforts are being made to produce a satisfactory lubricant from wood, but little hope is held for general relief in regard to these important products until after normal ocean traffic is resumed.

Construction

Building Operations, Australia

Total building operations for the six capital cities and suburbs in Australia were valued at £882,000 in July and August 1944, according to an official Commonwealth publication. Of this amount, new building permits accounted for £363,000, and alterations and additions made up the remaining £519,000. In the fiscal year beginning July 1943, all building operations were valued at £3,587,000, compared with £3,264,000 in 1942–43. New building permits in 1943–44 were valued at £1,388,000 (£1,379,000 in the preceding year), and alterations and additions amounted to £2,199,000 (£1,885,000 in the preceding year).

Monthly averages, by number and value, of building permits (exclusive of Government buildings) issued in the six capital cities and suburbs are given in the following table for the fiscal years beginning with 1940:

Period	New dwellings		Other new buildings	
	Number	Value	Number	Value
1940–41	1,486	£1,696,000	88	£260,000
1941–42	807	797,000	43	115,000
1942–43	38	22,000	35	93,000
1943–44	62	33,000	34	83,000

Period	Total new buildings		Cost of alterations and additions	Cost of all building operations
	Number	Value		
1940–41	1,574	£1,956,000	£386,000	£2,342,000
1941–42	850	912,000	216,000	1,128,000
1942–43	73	115,000	157,000	272,000
1943–44	96	116,000	183,000	299,000

Work Begun on Drainage System, Panama

Work was begun in November on an aqueduct and drainage system which, when completed, will serve 1,000 urban farms in and near David, Republic of Panama. The estimated cost of the project is $257,000.

Canadian Contract Awards, 1944

During the first 9 months of 1944, contract awards for construction in Canada totaled $234,406,000, amounting to 45.8 percent above those of the corresponding period of the preceding year when awards were $160,700,000, says an official Dominion publication. Following is a table showing values of construction contracts, by various types, awarded during the first three quarters of 1944:

Classification	First quarter	Second quarter	Third quarter
Residential	$20,699,000	$52,292,000	$35,996,000
Business	11,661,000	16,585,000	25,673,000
Industrial	18,632,000	13,786,000	11,017,000
Engineering	5,039,000	14,044,000	8,982,000
Total	56,031,000	96,707,000	81,668,000

For Canada's Apples: Bags Instead of Boxes?

At Summerland, British Columbia, apple growers are being supplied with heavy paper bags to meet the drastic shortage of apple boxes, a Canadian press report states. First shipments of C grade have been sent as an experiment. Bags hold the same quantity as a box, thus releasing the boxes for packing higher grades, fancy, and extra fancy.

In railway cars the bags of apples are placed on top of three tiers of regular boxes, usually shipped six tiers high.

Experiments are also being made with packing the bags right in the orchard at Oliver and other points along the Okanagan Valley.

Electrical Machinery and Equipment

Mexico's Electrification Program

An extensive program of electrification is being pursued in Mexico, says the foreign press. Among the electric schemes being fostered by the Federal Electricity Commission, according to the report, are the Rio Tomata scheme with an estimated output of 20,000 horsepower, destined to augment the present supply of power to Veracruz, Puebla, and Oaxaca, as well as to the Mexican railways; and the Tonilita scheme at Jalisco which will benefit the cities of Guzman, Colima, and Manzanillo. Other smaller schemes are being undertaken in Tototlan, Jalisco; in Apatzingan, Michoacan, and in the cities of Coyuca de Catalan and Altamirano.

A large thermoelectric plant capable of an output of 37,000 horsepower will increase industrial activity at La Laguna and Torreon, where irrigation and industrial development projects call for a greater supply of electric power.

Foodstuffs and Allied Products

Coffee and Cocoa

Exports of Cocoa, Trinidad, B. W. I.

Exports of cocoa from Trinidad in 1943 amounted to 8,009,443 pounds, valued at $971,212, as against 10,107,730 pounds in 1942, valued at $1,187,994—a decrease of about 20 percent in volume and an increase of 17 percent in value—says the foreign press.

Cocoa has been Trinidad's chief export to the United States for a number of years. In 1943 exports of cocoa from Trinidad to the United States were valued at $723,983, an increase of 51 percent over the 1942 value of $478,488.

Coffee Exports From Nicaragua

The Nicaraguan Coffee Producers Association reports that the 1944–45 exportable coffee crop will be only 50 percent of normal, but this figure is believed by many to be too low. An average decrease of 20 to 25 percent is expected by the majority of the coffee producers, which would place the 1944–45 exportable coffee crop at between 170,000 and 180,000 bags of 60 kilograms each.

Coffee export taxes in Nicaragua increased more than 30 percent in 1944 as compared with 1941. This increase is attributed to the fact that the basic coffee export tax is figured on the market price of coffee, the tax increasing 50 percent when the market price exceeds $12 per 100 pounds.

Cocoa Production and Exports, Panama

The production of cocoa in Panama is concentrated principally in the Province of Bocas del Toro. When disease ruined many banana plants in that Province in the late 1920's, the principal exporter of bananas diverted his plantations to cocoa and later to abacá.

Cocoa quickly became an important factor in Panama's export trade. From 1935 to 1940 exports of cocoa ranged from 4,500,000 to 5,282,000 kilograms (1 kilogram=2.2046 pounds) with a total of 27,986,000 kilograms in the 6-year period.

Limited shipping space and labor shortages have sharply reduced exports since the war, and production has declined. In 1941 exports amounted to 2,967 tons; in 1942, to 1,954 tons; and in 1943, to 2,789 tons. In the first 7 months of 1944, however, 1,362 tons of cocoa were exported.

Grain and Products

Rice Cultivation, Surinam

The low coastal lands of Surinam are especially suitable for the cultivation of rice. About 31,860 acres were planted to rice in 1944. That area yielded 34,399,589 kilograms of paddy (rice in the husk) from which it was expected that 20,639,753 kilograms of clean rice might be obtained. The yield was considered normal despite damage caused by heavy rains during the growing season. It is not anticipated that this crop will show a sufficient surplus over local demands to allow exportation.

Production of rice in Surinam probably will be increased in 1945, providing weather conditions are favorable.

Rice is rapidly replacing other foods, such as cassava and plantains, which have been the principal items in the diet of the inhabitants of Surinam for many years. This is said to be the result of bringing in large numbers of Asiatic field laborers for work on sugar and coffee plantations, whose chief food in India and Java was rice.

Wheat Imports, Brazil

Wheat led in the 15 commodities that have consistently figured with the heaviest tonnages among Sao Paulo's imports for each of the 4 years: 1938, 1941, 1942, and 1943. This commodity accounted for 91 percent in 1938 and 93 percent in 1942 and 1943 of the total tonnage of all imports of foodstuffs. In those years, wheat imports, expressed in net weight in metric tons, and in c. i. f. Santos values, were as follows:

Wheat imports	1938	1941	1942	1943
Net weight in metric tons	444,298	395,866	396,336	437,566
C. i. f., Santos values (in thousands of dollars)	11,468	10,377	11,785	16,193

Cultivation of Grain Crops Increased, Madagascar

Since the Free French took over the administration of Madagascar in January 1943, the people of the colony have been urged to increase agricultural production, especially food crops, as their contribution to the war effort. As a result, Madagascar's agricultural resources have shown increases in many lines. Total area under cultivation in 1944 amounted to 1,476,000 hectares (1 hectare=2.471 acres), compared with 1,290,000 hectares in 1943 and 1,440,000 hectares in 1939.

About 80,000 hectares were planted to corn in 1944, as against 45,000 hectares in 1943. Rice fields now cover 540,000 hectares, with an estimated yield of 680,000 metric tons of paddy, as compared with 475,000 hectares and 655,000 metric tons in 1943. Other cereals also have shown increases in acreage.

Manioc acreage was increased to 250,000 hectares in 1944 as against 200,000 hectares in 1943, but because of adverse weather conditions the yield probably will be only 900,000 metric tons, compared with 1,200,000 tons in 1943.

While many of the crops registering gains in acreage are of little importance from the standpoint of international trade, they are of vital concern to the economy of the Island and as a possible source of supply for liberated France.

Wheat Situation in Peru

The area planted to wheat in Peru in 1943 totaled 106,322 hectares (1 hectare=2.471 acres), a decline from the 117,068 hectares planted in 1942. The quantity of wheat used for seeding in 1943 amounted to 10,206,912 kilograms (1 kilogram=2.2046 pounds).

Total wheat production in 1943 is placed at 90,279 metric tons, as against 100,898 tons in 1942. Local authorities anticipate a probable wheat output in 1944 of about 95,000 metric tons.

The Bureau of Agriculture reports an apparent Peruvian wheat consumption in 1943 of 205,140 metric tons, of which 44 percent was supplied by domestic production and 56 percent by imports. Apparent consumption of wheat in Peru in the years 1942 and 1941 was 219,740 and 230,348 metric tons, respectively.

Heavy wheat arrivals from Australia in September 1944, with additional quantities scheduled from both Argentina and Australia, indicate that, together with domestic production, Peru's wheat requirements are substantially covered until about April 1, 1945. However, a new flour mill was expected to be completed and operating by the close of 1944, for which wheat stock will be needed. Higher purchasing power also has increased demand for wheat, so that in 1945 it is estimated that Peru will be in the market for 140,000 to 150,000 metric tons, to be acquired from Argentina and Australia, if carriers are available.

Wheat Cultivation, Uruguay

The final official figure on the area sown to wheat in Uruguay in the 1943–44 crop year is 331,371 hectares, with a yield of 300,630 metric tons, of which 295,108 tons were soft wheat and 5,522 tons were hard wheat. A potential surplus for the 1943–44 crop year of 94,093 metric tons, as compared with last year's surplus of 91,238 tons, is indicated.

Meats and Products

Hog Marketing and Pork Production, Argentina

The hog situation in Argentina is characterized by record receipts. Marketings for the first 10 months of 1944 of 3,199,-

000 head were 27 percent higher than during the corresponding period of 1943 when 2,519,000 head were marketed. Total marketings in 1944 probably will be in the neighborhood of 3,800,000 head, compared with 2,982,000 head in 1943.

The exportable surplus of pork in 1944 will be close to 180,000 metric tons carcass weight. It is estimated that about 30 percent of this carcass weight will be exported in the form of pork cuts and the remainder in the form of boneless pork. For 1945 it is believed that the tendency to export pork cuts rather than boned pork will continue, and as much and possibly more pork will be exported in the form of cuts as in the form of boneless pork.

Packers estimate that the slaughter of hogs will continue at the current high levels for at least the first 6 months of 1945. This would represent a 10 to 20 percent larger production for the first 6 months than during the corresponding period of 1944, but it is expected that there may be some falling off in receipts at the end of 1945. Under these circumstances it is believed that the slaughter for 1945 will be about the same as in 1944, with the probability, however, of an increase rather than a decrease.

Domestic Production and Imports, Panama

There were 29,130 cattle and 22,153 hogs slaughtered in the Republic of Panama in the first 6 months of 1944, compared with 31,963 and 24,825, respectively, in the corresponding period of 1943, according to official statistics.

In 1943, 60,370 cattle and 44,281 hogs were slaughtered, as against 57,147 cattle and 50,672 hogs in 1942.

The above statistics include all killings, both of domestic and imported cattle.

Imports of cattle in 1943 amounted to 8 906, compared with 5,024 in 1942. In the first 6 months of 1944 imports totaled 2,035 head.

In addition, 475,816 kilograms (1 kilogram=2.2046 pounds) of fresh beef and 344,313 kilograms of pork were imported in 1943. For the first 6 months of 1944, imports were 250,566 kilograms of fresh beef and 128,316 kilograms of pork.

Cattle and Sheep Receipts, Uruguay

Receipts of cattle at the Tablada and at markets in the interior of Uruguay in the third quarter of 1944 total 155,812 head, weighing 67,400,000 kilograms (1 kilogram=2.2046 pounds), valued at 12,400,000 pesos, as compared with 172,500 head, weighing 67,500,000 kilograms, valued at 11,100,000 pesos, in the corresponding period of 1943.

There was a decline of 26.7 percent in cattle receipts in the third quarter of 1944 as compared with the second quarter when 213,313 head were received, and total weight and value were proportionately lower.

Sheep receipts at both the Tablada and the markets of the interior in July, August, and September, 1944, were 303,471 head, weighing 11,900,000 kilograms, valued at 2,130,000 pesos, as against 273,040 head, weighing 8,400,000 kilograms, valued at 1,490,000 pesos in the third quarter of 1943.

Sugars and Products

Production and Consumption, Peru

Peruvian sugar output in October 1944 is unofficially estimated at 50,000 short tons and that for the first 10 months of the year at 331,000 tons. Total production for 1944 is estimated at 440,000 tons, compared with 411,000 tons in 1943 and 496,000 tons in 1942. These figures do not include "chancana" (a hard molasses), output of which averages from 11,000 to 17,000 tons per year.

Sugar consumption in Peru in September and for the first 9 months of 1944 approximated 10,420 and 104,429 tons, respectively, compared with 7,576 in September 1943 and 99,000 tons in the first 9 months of 1943.

To assure adequate sugar supplies for local consumption, the Peruvian Government by a Supreme Decree dated November 20, 1944, entrusted the Peruvian Sugar Producers Committee with the supply and distribution of this product as well as fuel alcohol, under the supervision of the General Bureau of Food Supply of the Ministry of Agriculture. The distribution of sugar for domestic needs was formerly in the hands of the Bureau.

The decree prescribes that stocks equivalent to 60-day requirements are to be maintained at consumption centers; that the Committee must render monthly reports to the Bureau concerning the distribution and stocks of sugar and fuel alcohol; and that export permits for sugar will be granted only after ample supplies for local needs have been assured.

Argentina Becomes World's Second Producer of Vitamin A

Vitamin-A manufacture, begun in the Argentine Republic early in 1943 under the sponsorship of a United States firm, has made such strides that Argentina now ranks second only to the United States in the world production of this aid to health and efficiency. An estimated trillion and a half Vitamin A units were produced in Argentina in 1943, and production for 1944 was expected to be in the neighborhood of 20 trillion units.

Source of the vitamin, now in great demand by the armed forces of the United Nations, are the sharks which abound in the waters off Argentina. The sharks are caught with hook and line and brought intact to 20 factories in the Mar del Plata and Necochea areas for processing and for the extraction of an oil rich in vitamin A from the shark livers. Most of the factories are financed by American export companies and staffed by American, Russian, or Scandinavian technicians.

Besides vitamin A, the shark-liver oil offers various byproducts which give promise of being the cornerstones of new Argentine industries, while the sharks themselves offer others. Shark meat has found a ready market locally, and experimentation is under way in adapting the long-wearing and ornamental shark skins to the manufacture of leather goods.

Vegetables and Products

Tomato Production, Bahamas, B. W. I.

The Bahama Islands anticipate a bumper crop of tomatoes this season. The area planted to tomatoes has been increased from 1,500 acres to 2,000 acres, and weather has been favorable to the growth of the crop.

Potato Production and Imports, Panama

As a result of Government protective measures, Panama has increased its production of potatoes in recent years. Chiriqui Province is the principal producing zone. Of 17,509 quintals produced in 1942, 16,584 quintals were from that Province.

Annual production of potatoes in Panama is estimated at 20,000 quintals, and annual consumption is estimated by the Banco Agro-Pecuario at 55,000 quintals per year. Other authorities believed this to be at least 20 percent too high, however.

In 1944 it was necessary to import 17,583 quintals of potatoes; and in 1943 and 1942 imports amounted to 14,725 and 10,329 quintals, respectively.

Hardware

Imports of Structural Materials, Dominican Republic

Imports into the Dominican Republic for the first 5 months of 1944 included the following structural materials: Nails and tacks weighing 382,921.2 kilograms, pipes and fittings weighing 366,282.2 kilograms, and galvanized sheets weighing 182,395.0 kilograms. These were valued at $51,216, $50,991, and $17,171, respectively.

The Dominican Republic imported during the first 5 months of 1944 wire weighing 800,915.6 kilograms, valued at $162,077. Of this total, barbed wire accounted for $5,670 and plain wire for $23,821.

Iron and Steel

Imports, Santos, Brazil

Imports of 2,628 metric tons of iron and steel plates into the port of Santos, Brazil, in 1943 represented a considerable decrease from the 3,167 metric tons imported in 1942 and 11,763 metric tons in 1938.

Iron and steel pipe imported into this port amounted to 2,386 metric tons in 1943, 2,602 metric tons in 1942, and 11,310 in 1938.

Imported Alligator Skins: New Price Measure by OPA

Dollar-and-cent ceiling prices—representing an average increase of about 34 percent over present ceilings—for all sales and purchases of alligator and crocodile skins, were announced December 27 by the Office of Price Administration.

Both domestic and imported skins are covered by this new action, effective January 2, 1945, which applies to colored and glazed alligator and crocodile skins. In addition, maximum purchase prices which a buyer may pay for these skins for importation into the United States are established.

Retail prices for commodities such as women's shoes, handbags, luggage, and leather novelties, made from alligator and crocodile leather, are not expected to be increased as a result of this action, OPA says. The agency believes the increase involved, which is at the domestic tanning level, will be partially offset by reductions in the prices paid abroad for foreign tanned skins, and that manufacturers and distributors can absorb the rest of the increase.

Between 200,000 and 250,000 alligator and crocodile skins are used annually in the United States. While a major portion of these skins are imported, normally in the raw state, a small percentage originates in Louisiana and Florida. Approximately 60 percent of the leather made from these skins is used in the manufacture of uppers for women's shoes and the remaining 40 percent in handbags, luggage, and leather novelties.

Today's dollar-and-cent prices are established for each grade of skin on the basis of the size in inches, measured across the widest portion of the belly of the skin. The price increases on domestically tanned skins are lower percentage-wise for the small than for the large skin. The price increases were necessary to allow domestic tanners of alligator and crocodile skins dollar profits comparable to those which they received during the years 1936 through 1939, OPA says. Amount of the increases was based upon detailed profit-and-loss information covering operations for the years 1936 through 1943 and for the first 6 months of 1944. This information was supplied by two firms which represent approximately 80 percent of the present total domestic tannage.

The maximum prices which purchasers may pay abroad for tanned alligator and crocodile skins, ex dock United States port of entry, duty paid, are comparable to the maximum prices established for alligator and crocodile skins tanned in the United States.

These maximum import prices will put domestic tanners of alligator and crocodile skins on a more equitable basis with their foreign competitors so far as purchases of raw skins are concerned. The new prices for import purchases are substantially below the prices domestic manufacturers have been paying for tanned skins in foreign countries.

Tin-plate imports into the port of Santos amounted to 20,417 metric tons in 1943, 23,113 metric tons in 1942, and 14,778 metric tons in 1938.

Manufacturers Strive to Increase Output, Uruguay

Uruguayan manufacturers of iron and steel products, in the face of greatly increased domestic demands, made every effort to increase output during the third quarter of 1944, and results were reasonably satisfactory. The principal rolling mill, with rated capacity of 1,200 tons per month, produced only 500 tons, which meant that large quantities of reinforcing bars for concrete had to be imported.

The makers of cast-iron pipe concentrated more on pressure pipe than on electric conduit pipe, because of shortages of skelp. Production of mild and manganese steel parts, plows, agricultural implements, and boilers increased to the best levels of 1943. Metallic carpentry, despite the greatly increased demand from the building trades, remained in the hands of one supplier, which firm continued to face difficulties in stepping up production because of lack of sufficient supplies. There was a satisfactory gain in output of bolts, nuts, and nails.

Iron-Ore Deposits in Venezuela

Commercial exploitation of Venezuela's iron ores will be initiated by the Iron Mines Co. of Venezuela, a subsidiary of a large United States steel company, as soon as construction of installations can be completed and final details of transportation worked out. In 1939 this company took out mining concessions centering in El Pao, some 30 miles south of the town of San Feliz, on the Orinoco, near the mouth of the Garoni River.

Ore in the region is principally hematite, and is reported to contain more than 68 percent iron with small amounts of phosphorus, sulfur, and silica, thus comparing favorably with the high-grade ores from Brazil. Much ore is of lump type, desirable in the open-hearth process.

Loading facilities, including bins of 250,000 tons capacity, are expected to be completed this year, and an electric-power plant is under construction. Reserves in the concession are said to be between 60,000,000 and 100,000,000 tons, much of which can be mined without stripping waste rock.

Other large deposits of iron ore exist in the country, fortunately near rivers which can be made navigable without too much difficulty. Some years ago a Canadian company took out a claim and certain exploratory work was done, chiefly at Manoa. It is probable that work in this area will be resumed if there should be an appreciable demand for high-grade Venezuelan ores.

Leather and Related Products

Nicaraguan Exports and Imports

Hide and skin exports from Nicaragua during September 1944 amounted to 15,605 kilograms and were valued at $20,171. Nicaragua imported leather valued at $9,835 during the month.

Uruguay's Production and Exports of Hides and Skins

Hide and skin production in Uruguay during October 1944 totaled 234,878 pieces, an increase of 11,396 over the preceding month. Exports of bovine hides and skins during October amounted to 2,011,424 kilograms, and of sheepskins 1,345,634 kilograms.

Lumber and Products

Canada's Lumber Industry

Canada's 1944 lumber production is estimated at about 4,700,000,000 board feet, approaching the all-time record of 4,941,000,000 board feet in 1941, states a Canadian lumber publication. Of this total cut, 2,100,000,000 board feet is earmarked for domestic use, 1,000,000,000 for export to the United Kingdom, 900,000,000 to the United States, and 200,000,000 to other countries. The British reconstruction program will require relatively large quantities of Canadian lumber.

Domestic consumption has kept pace with increased production. Production during the war years has increased about 43 percent, and consumption about 44 percent. A large part of the domestic lumber supply has been used for various war projects and the expansion of the lumber industry itself. With the gradual curtailment of wartime demands, it is expected that larger amounts will become available for civilian purposes.

Prospects for Plywood Plants, Canada

Western Plywood Co., Ltd., Vancouver, British Columbia, Canada, is erecting a plant to produce plywood from coniferous and deciduous trees other than fir, a lumber journal reports. The factory is expected to be in production in the spring of 1945.

Plans are also being made for the construction of another unit at Prince George, British Columbia, for the manufacture of poplar and birch plywood. Construction of this second plant will probably not be started until after the war.

Christmas-Tree Industry, Canada

The Christmas-tree industry, comparatively new to the Gaspe Peninsula of Canada, has been important in that re-

gion this season, says a Canadian lumber journal. Because of a scarcity of suitable trees in some districts during the past few years, operations have penetrated into more remote sections, such as the Gaspe. Only balsam is cut. This species is most in demand by the trade and accounts for about 42 percent of Canada's annual crop.

Cutting and marketing of Christmas trees has become a million-dollar industry in Canada. About 75 percent of the annual production, or 6,000,000 trees, is exported, principally to the United States, also to Hawaii, Bermuda, and Jamaica. United States consumption now amounts to approximately 20,000,000 trees annually.

Exports From Dominican Republic

Exports of mahogany from the Dominican Republic amounted to 1,105,859 kilograms, valued at $142,454, during the period January-September 1944.

Lignum vitae exports totaled 514,571 kilograms, with a value of $47,472.

Norway Purchases Lumber From Sweden

An arrangement was made between Sweden and Norway for the purchase of 2,000 standards (1 standard=1,980 board feet) of Swedish lumber during the first 6 months of 1944. This amount is said to have been shipped during that period by sawmills close to the Norwegian border.

The lumber agreement between Sweden and Belgium provided for the purchase of only 2,000 standards during 1944.

Profits and Investments of Swedish State Organization

A. B. Statens Skogindustrier (State Forest Industries, Inc.) of Sweden showed a gross profit of $1,245,000 in 1943, its second year of operations, compared with $1,886,000 in 1942. Production and deliveries reflect the prevailing export situation.

Investments in new plants totaled $1,507,000 in 1943, or slightly more than the $1,338,000 for the preceding year. Approximately one-third of this amount was used for construction of the company's wood-chemical plant.

Medicinals and Crude Drugs

Output of Fish-Liver Oils, New Zealand

During its first year of operation ended in March 1944, a new plant at Island Bay, Wellington, New Zealand, produced 5,000 gallons of fish-liver oil from sharks, groper, and ling. Oils of excellent quality and high-vitamin content can be produced on a large scale in New Zealand from the livers of locally caught fish.

The shark livers supplied to the plant by fishermen are entirely unsorted, and oils from the different species have very different characteristics. The value of vitamin A in the different batches of oil varies from 2,000 to 55,000 international units per gram. The content of vitamin D is low, usually less than 25 international units per gram.

Foreign Trade, Dominican Republic

The Dominican Republic imported 86,770.9 kilograms of herbs, barks, extracts, oils, and starch for pharmaceutical use, valued at $40,246, during the period of January–May 1944.

Imports of quinine amounted to 968.6 kilograms, valued at $20,478 and of serums and vaccines, 1,276.9 kilograms, valued at $11,596. Purchases of cod-liver oil during the first 5 months of 1944 totaled 18,512.6 kilograms, valued at $14,481.

Exports of medicinal preparations from the Dominican Republic during the first 9 months of 1944 amounted to 5,108 kilograms ($5,212).

Metal and Minerals

Portland Cement in Peru

The portland cement industry in Peru, exclusively in the hands of one company, has shown remarkable growth in the past 15 years, output having increased from 285,000 barrels in 1928 to 1,227,000 barrels in 1943. Imports, the greater part of which came from Germany and Japan, decreased from more than 300,000 barrels to 3,800 barrels.

Expansion of the industry has kept pace with growing demands, and the domestic product is used almost exclusively in the Lima-Callao area, where construction work of all kinds has been most active, and in the central sierra, where the mining industries are concentrated. It is only in the outlying sections of the Republic that imported products can compete with those produced domestically.

Serious consideration is being given to the opening up of other deposits of limestone, and reports on preliminary investigations were expected to be ready by the first of 1945. If plants should be opened up in areas from which shipments might be readily made to the more inaccessible outlying regions, Peru's demand for imported portland cement would be very small if not nonexistent.

Deposits in Venezuela

A large United States company has taken an option to sample deposits of nickel silicate at Lomo de Hierro, Venezuela. Pitting and drilling operations are being carried out to determine development possibilities. The deposits are said to contain many millions of tons of garnierite ore with 2 percent nickel.

A belt of serpentinized peridotite, of which Lomo de Hierro is a part, starts

Mexico's 100-Octane-Gasoline Project

Construction work for the Mexican Government's new 100-octane aviation-gasoline refinery, which is being erected at Atzcapotzalco near Mexico City, is proceeding rapidly, Petroleum Administrator for War Harold L. Ickes said several days ago. Orders for 60 percent of the equipment and materials have been placed, and engineering work is well along, the Administrator said.

Construction is being carried out by an American engineering firm, under the general supervision of an American oil company that has a contract as technical consultant to Petroleos Mexicanos, the Government organization that operates seven refineries in Mexico.

Deputy Petroleum Administrator Ralph K. Davies said that this is the Mexican Government's first venture into the production of 100-octane aviation fuel. Until now, Mexican refineries have confined themselves to manufacturing automobile gasoline, kerosene, and fuel oil to meet Mexico's internal requirements, as well as making offshore shipments of fuel and Diesel oils.

The United States Government will have the first rights to purchase part of the output of aviation gasoline and certain other products.

The cost of the entire project will exceed $15,000,000, and arrangements have been made for the purchase of materials and equipment in the United States to be financed by a $10,000,000 loan from the Export-Import Bank.

Negotiations for this loan, which were conducted with the assistance of PAW, were completed by the execution of a contract on March 2, 1944, but to date no part of this credit has been used by the Mexican Government.

Mr. Davies said that the first new unit of the refinery is expected to be in operation by October 1945, while completion of the entire project is scheduled for December 1945.

In order to provide for the manufacture of aviation gasoline with the most economical use of critical materials, the plant had naturally to be engineered around the basic facilities of an existing refinery, he added. The Atzcapotzalco refinery near Mexico City was selected as being the most suitable for the purpose, and in order to furnish the required feed stocks, the project had necessarily to provide for an increase in the crude intake capacity of the refinery.

Mr. Davies pointed out that while Petroleos Mexicanos has been active since the start of the war in buying operating, repair, and maintenance materials for its refineries, it has been subjected to full wartime restrictions and has taken its turn along with the oil companies of other United Nations in importing equipment from the United States.

south of Carcas and parallels the Cordillera de la Costa. Between 20 and 30 miles wide, it extends on the west from a point near Tinaquillo for 150 miles eastward, almost to Guapo. Commercial possibilities of the deposits lying within the belt are known, but if present explorations at Lomo de Hierro prove successful, it is probable that other areas will be worked also.

Venezuelan Diamond Industry

The Cía. Anónima Minera y Commercial has applied to the Venezuelan Government for an exclusive exploration license covering 40,000 hectares of diamond-bearing land in the State of Bolivar, which is included in the national reserve of several rich diamond areas. If the permit is granted, within 2 years from the date of receipt, this company will have the right to select half of the area for exploitation and introduce use of mechanical equipment for large-scale mining, provided that conditions are suitable and financial backing can be obtained.

Although there has been a general increase in activity in the country's diamond industry since the war began, with annual production ranging between 20,000 and 35,000 carats, output in the third quarter of 1944 decreased notably. The use of mechanical equipment is not allowed on Government reserves; miners work the gravels by panning, which is done chiefly in the dry season.

Oils, Fats, and Oilseeds

Exports of Castor Seed, Brazil

Exports of castor seed from Sao Paulo, Brazil, in 1943 amounted to 75,955 metric tons, valued at $5,153,000, compared with 28,334 metric tons in 1942, valued at $1,850,000.

Vegetable-Oil Industry, Colombia

Colombian production of vegetable oils in 1943 amounted to 5,588 metric tons, against 6,185 metric tons in 1942 and 9,430 in 1941. Before the war, Colombia imported large amounts of copra for the manufacture of oils, but with the loss of the greater part of this supply, the country has been attempting to stimulate domestic output of sesame, cottonseed, and palm oil. In 1943, purchases by oil mills amounted to 2,893 tons of domestic copra, 9,154 tons of cottonseed, 6,176 tons of sesame, and 471 tons of other materials. The 1944 crop of sesame, however, is considerably smaller than that of 1943, largely because growers have been dissatisfied with yields and with difficulty in harvesting.

Canadian Soybean Yield

In 1944 the approximate yield of soybeans in southwestern Ontario, Canada, was 10,000 bushels, according to the Canadian press. The quality of the beans was reported to be good and the moisture content as low as 12 percent.

Production of Oils, Paraguay

Production of castor oil in Paraguay during 1943 was reported to be 374 metric tons, with production still expanding. Tung oil production totaled 47 metric tons. There are many young trees now in cultivation which have not yet begun to yield, thus rapid expansion in the future is expected.

Approximately 10 tons of linseed oil were produced in 1943 as a side-line venture. Experiments are being carried on to determine the possibilities of future production of soybean oil.

Paper and Related Products

Paper Imports, Dominican Republic

During the first 5 months of 1944 the Dominican Republic imported various kinds of paper as follows: Wrapping paper in rolls, sheets, or in the form of bags, 431,706; kilograms, valued at $77,039; printing and writing paper, 284,707.4 kilograms, valued at $50,183; all other kinds of paper, 203,145.5 kilograms, valued at $87,731. This makes a total of 919,558.9 kilograms, valued at $214,953.

New Paper Plant in Turkey

A second paper factory has been put into operation at Izmit, Turkey, and, although it is said to have an annual capacity exceeding 10,000 short tons of paper and paperboard, shortages of wood pulp probably will prevent full-scale production for some time. The plant was opened at this time primarily for pilot runs, and Turkey will still import considerable quantities of cigarette paper for the Government-owned cigarette industry, as well as kraft and other special kinds of paper.

Colombian Imports of Paper and Cardboard

Details regarding imports of paper and cardboard into Colombia during the 8 years 1936–43 are given in the following table:

Imports of Paper and Cardboard Into Colombia

Year	Quantity		Value	
	Gross kilograms	Index 1936=100	Pesos	Index 1936=100
1936	18,710,105	100.0	3,108,838	100.0
1937	22,580,021	120.7	4,902,536	157.7
1938	23,005,828	123.0	5,128,855	165.0
1939	24,127,768	129.0	4,626,139	148.8
1940	20,480,075	109.5	5,068,107	163.0
1941	27,910,728	149.2	7,643,222	245.9
1942	17,257,463	92.2	5,784,021	186.1
1943	25,416,965	135.8	9,550,429	307.2

Petroleum and Products

Petroleum Production, Bolivia

Crude petroleum production in Bolivia for 1944 is estimated at 305,404 barrels, compared with 334,113 barrels in 1943. If drilling and production equipment can be obtained by May 1945, output for 1945 should be considerably more, or 650,000 barrels, according to some estimates.

Two oil refineries, one each located at Sanandita and Camiri, turned out slightly more than 200,000 barrels of products in 1943, and output for 1944 is expected to be in equal quantity. Production of refined products for 1945 is estimated at 455,500 barrels.

Canadian Imports

Canadian imports of petroleum products during October 1944 were valued at $10,413,000, compared with $7,962,000 in the corresponding month of 1943, according to Dominion statistics. Total value of these products for the first 10 months of 1944 was $83,303,000, compared with $74,917,000 in the corresponding period of 1943.

Petroleum Concession in Mozambique

A petroleum concession in Mozambique has been granted the Manica Trust, Ltd., Beira, by the Government of Portugal. Inyaminga Petroleum (1934), Ltd., owns 80 percent share interest in the Manica Trust.

The concession is understood to cover rights to explore and exploit oil deposits in an area bounded on the north by the Zambesi River and on the south by the Sabi River. This area is approximately one-third larger than the area of the concession previously held from the Mozambique company, although considerably smaller than that applied for.

Vermilion Oil Field, Canada

Shell Oil Company, Ltd., Canada, has entered the Vermilion oil field in Alberta Province with the acquisition of 38,880 acres of land in the Minburn area, states the British press. This is said to be the first major oil company to start developments in the area.

Vermilion field, a newer field than Turner Valley, has increased in production, and it is generally hoped in Canadian oil circles that further developments will somewhat offset the decrease in production from Turner Valley.

Imports of Products, Dominican Republic

During the first 5 months of 1944 the Dominican Republic imported crude combustion oil, gasoline, petroleum, and lubricating oil valued at $32,393, $91,446, $9,802, and $48,548, respectively.

Producing Wells in U. K.

There are 239 wells producing in the oil field in Great Britain, which has an annual output of 200,000 metric tons of petroleum, states the Canadian press. Oil-bearing strata in the main field, which is about 1 square mile in size, lie between 2,000 and 2,500 feet, and deep test drilling is being carried out to establish whether there is a lower horizon.

Production in the main field started just before the war broke out in 1939. Prospects for locating important quantities of oil in other nearby areas are thought to be good.

Recovery of Benzol, U. K.

If benzol recovery were practiced throughout the entire gas industry in the United Kingdom, approximately 60,000,000 gallons could be produced annually, states the British press. During the war, recovery of benzol has been imposed on the industry primarily for the toluol content, important ingredient in explosives and high-priority petroleum products. In peacetimes, the justification for the recovery is a matter of economics. Its presence in gas gives a higher thermal value, but by virtue of its removal greater yield of coke and tar is possible. Generally, the most favorable area for its production is near a good coke market where the ratio of the price of coke to that of coal is high.

Recovery of benzol in the gas industry is generally done by washing the gas with a suitable absorbent such as gas oil. A few plants produce benzol through use of active carbon.

New Pipe Line, Venezuela

With the completion of a new 16-inch pipe line between Amana and Puerto de la Cruz, Venezuela, owned jointly by the Mene Grande Oil Co. and the Creole Petroleum Co., the amount of oil gathered at the Mene Grande Terminal at Puerto de la Cruz will be doubled. Daily capacity of the new pipe line will be between 100,000 and 120,000 barrels, depending upon the oil pumps. It is scheduled to go into operation early in 1945.

Three loading tanks have been added in the terminal at Puerto de la Cruz, making a total of seven, each with a capacity of 139,000 barrels. A 20-inch combination suction and filling line extends from each tank to the loading manifold from which two 24-inch lines extend to the oil dock.

Radio and Telegraph

New Radio Stations in Chile

Concessions for the operation of radio transmitters have been granted to several Chilean companies in recent months. The Soc. Chilena Radiodifusora S. A., was granted in June 1944, a concession by the Chilean Government to establish and operate a short-wave-radio station in Santiago with two transmitters of 5,000 watts each. Work was to begin on the first transmitter within 3 months and to be completed within a year.

The Soc. Radiodifusora "La Mercantil" S. A., has been granted a 30-year concession for a short-wave station, also to have two transmitters of 5,000 watts each. The Corporación de Radio de Chile, S. A., also has been granted a 30-year concession to build and operate a short-wave station in Santiago with two transmitters of 5,000 watts each. Approval has been made of plans presented by the Cía. Internacional de Radio S. A., which contemplates the installation of a radio-telegraph transmitter at the company's plant in La Granja.

Electronics in Ecuador

Electronic equipment in use in Ecuador is composed of radio transmitting and receiving equipment, motion-picture sound equipment, a few sound trucks, some diagnostic X-ray equipment, and a few burglar-alarm systems. Its use is concentrated in and around Quito, the capital of the country and situated inland, and Guayaquil, the largest city and a seaport.

Distribution of Equipment.—Radio transmitters are operated by the military services, by the National Government, and by commercial companies. In the Quito district, some 48 transmitters are in operation, in addition to those used by the military. Several are operated for international traffic. Those operated by the National Government are for general communication purposes; with a few exceptions, the commercial companies utilize their stations for company communications only. Nine fixed radio transmitters as well as a number of private stations operated for business communication purposes only, are in use in Guayaquil. The Government has also recently installed a radio transmitter in Esmeraldas for communication purposes between the Province of Esmeraldas and other parts of the Republic.

In the Quito district approximately 8,500 receiving sets are in operation, about 2,000 of which use "pick-ups" or record players, and about 200 radio-phonograph combinations are in use. Approximately 85 percent of the radios and all of the combinations are equipped to receive international short-wave broadcasts but only a small percentage employ short wave to any extent.

Approximately 10,000 radio sets and 320 radio-phonograph combinations are in use in the Guayaquil district, 3,653 of the former, and 192 of the latter being equipped to receive international short-wave broadcasts.

Quito has two sound trucks and four portable public-address units. The sierra region in the Quito District has no installed public-address systems but four portable motion-picture sound units and four intercommunicators are operated by the Coordinator of Inter-American Affairs, and 22 sound units are owned by motion-picture houses.

In the Guayaquil district there are practically no permanently installed public-address systems and almost all of the smaller towns lack motion-picture

Maracaibo Plans Foodstuffs Refrigeration

Maracaibo, one of Venezuela's chief seaports and oil-producing centers, will soon have additional facilities for preserving and distributing perishable foodstuffs with the completion of two refrigeration plants planned by the Venezuelan Ministry of Agriculture and Animal Husbandry. Recent press reports from Maracaibo indicate that work has already begun on the installation of refrigerating machinery obtained in the United States.

Each of the chambers will measure almost 25 feet in length, 13 feet in breadth, 7½ feet in height, offering a capacity of approximately 64 cubic yards for the refrigerated storage of almost 20,000 pounds of perishable foods. Freon gas will be used with compressors in each of the chambers to provide controlled temperatures ranging from 33° to 39° Fahrenheit.

Much of the food consumed in the Maracaibo area must be imported from abroad, because of transportation difficulties between the coastal area and the agricultural interior of the country. By locating the refrigerating chambers near the customs facilities of the port and in the vicinity of one of the city's principal markets, officials hope to reduce the spoilage of reserve or surplus perishables, improve the quality of foodstuffs made available to the public, and reduce food costs considerably.

In the planning and construction of the refrigerating chambers, officials of the Ministry of Agriculture and the Maracaibo City Council were aided, in a consultative capacity, by Romualdo J. Blas and Kenneth W. Baker, technicians of the Institute of Inter-American Affairs, an agency of the Office of Inter-American Affairs in Washington.

sound equipment. The 10 motion-picture theaters in Guayaquil and 4 in provincial towns have sound equipment, and 10 portable sound systems are used in connection with moving pictures in the outlying towns.

The use of electronic equipment for industrial purposes is practically nonexistent in Ecuador. One or two institutions and several homes have been wired with burglar alarms. Diagnostic X-ray units in use in some of the hospitals number 29.

Domestic Manufacture of Products.—Since the war has cut off normal supplies of electronic products, several technicians in Quito have begun the small-scale manufacture of such products as crystals for record players, amplifiers for public-address equipment, paper condensers for radio receivers, and several types of transformers, including units both for radio and industrial purposes. It is believed that this industry will cease when the war ends and products from the United States and other countries may again be imported in sufficient quantity.

The Import Market.—The values of imports of electronic equipment into Ecuador, chiefly from the United States, during the years 1939–42, were as follows:

Ecuadoran Imports of Electronic Equipment

[Value in sucres]

Item	1939	1940	1941	1942
Radio broadcasting equipment and parts	334,634	22,320	131,833	8,793
Radios	1,142,427	76,200	1,266,913	84,503
Parts and accessories for radios	159,539	10,641	171,087	11,412
Total	1,636,600	109,162	1,569,833	104,708

Because of the high humidity prevailing in the coastal section during 6 months of the year, which has a deleterious effect on all electrical equipment, and because of the many inferior substitute materials being used, there are many complaints regarding the electronic equipment in use in Ecuador. The post-war market will be confined largely to parts for replacement and repair, as there is not much likelihood of an expanded demand for products which are considered in the luxury class.

Popular Radio Programs: Ecuadorans prefer local radio programs to foreign, although transcriptions originating in the United States are thoroughly enjoyed. A number of people also listen to broadcasts from other countries, particularly news broadcasts. Short-wave reception is good from all countries. In Guayaquil, in the absence of public-address systems, some people turn their radios to a high volume so they may be enjoyed by others in the neighborhood. Many busses are equipped with radios, as are also the public dining halls run for the poor. On special occasions some of the newspaper offices install loud speakers in the streets for public reception.

Rubber and Products

Swedish Rubber Situation

Sweden's rubber shortage remains serious, and little hope is held for complete relief from the situation until considerable quantities of synthetic rubber can be imported from western countries or until supplies of natural rubber in the East are once more made available. German shipments of buna synthetic rubber in 1943 were far short of agreed amounts, and experimental plantings of kok-sagiz, the rubber-bearing dandelion reported to be cultivated successfully in Soviet Russia, were largely a failure.

The neoprene plant at Ljungaverken has been in production for some time, and while it was understood that additional facilities for doubling capacity would not be constructed until results were definitely established, press reports indicate that construction on new installations has begun. Output from this plant is not expected to relieve the situation materially, however, and every effort is being made to conserve tires and tubes.

Soaps, Toiletries, and Essential Oils

Dominican Republic's Imports and Exports

Imports of essential oils and extracts for perfume manufacturing into the Dominican Republic during the period January through May 1944, amounted to 2,814.1 kilograms, valued at $13,963.

Throughout the same period, imports of cosmetics totaled 1,614.1 kilograms, worth $7,242, and of toilet powder, 10,930.6 kilograms, worth $21,178.

Exports of essential oils during the first 9 months of 1944 amounted to 3,091 kilograms, valued at $12,842. The Dominican Republic shipped 75 kilograms of perfumes and cosmetics, valued at $250, during the first 9 months of 1944.

Imports of soap into the Dominican Republic during the first 5 months of May 1944 were as follows: Laundry soap, 42,916 kilograms, valued at $3,782; toilet soap, 8,693.7 kilograms, $7,047; and all other and medicinal soap, 3,284 kilograms, $1,814.

Brazil's Lemon-Oil Supply

Output of lemon oil in Sao Paulo, Brazil, during 1944 is estimated at 10 tons, says the foreign press. Carry-over from previous years is reported to be 10 tons, also, making a total of 20 tons available.

Textiles and Related Products

Cuban Imports

During June, Cuba imported 59 tons of rayon yarn, valued at $124,000; 22 tons of rayon knit goods ($118,000); 227 tons of other rayon textiles and manufactures ($777,000); 158 tons of cotton yarn ($278,000); 487 tons of cotton textiles and manufactures ($754,000); and 1,696 tons of jute sacks ($405,000).

Foreign Trade, Dominican Republic

During the first 5 months of 1944, the Dominican Republic imported 437 tons of cotton piece goods, valued at $727,536; 1.5 tons of handkerchiefs ($9,273); 12 tons of blankets ($15,696); 3,562 tons of jute bags ($885,063); 18.5 tons of silk and rayon textiles ($85,957).

Among the exports during the first 9 months of 1944 were 13.8 tons of animal hair and tails ($29,306); 139 tons of cana straw ($6,360); 44 tons of kapok ($8,601); embroideries valued at $99; pillows, $13; and artificial flowers, $4,617.

Plant Operations, Mexico

Mexico's textile mills continued capacity operations during the third quarters of 1944. A new company for the manufacture of rayon yarn was incorporated and a suitable plant is under construction at Poncitlan, Jalisco.

Production in Eire, U. K.

During 1943 textile establishments in Eire produced 496,389 square yards of sheetings (711,693 in 1942); 1,105,537 square yards of dungaree cloth (988,161); 3,320,115, other cotton piece goods (3,465,875); 890,318, jute piece goods (1,449,523); 83,346 dozen jute sacks and bags (125,441); and 2,236 tons of cordage, cables, and ropes (1,450) according to a foreign publication.

Exports From the United Kingdom

During 1943 the United Kingdom exported 374,000,000 square yards of cotton piece goods, as compared with 485,000,000 in 1942, according to a foreign publication. These comprised 69,000,000 square yards of unbleached goods in 1943 (67,000,000 in 1942); 83,000,000 square yards of bleached (106,000,000); 103,000,000, printed (129,000,000); 91,000,000, dyed in the piece (148,000,000); and 28,000,000 of colored-yarn cottons (35,000,000).

Exports of cotton thread dropped to 13,328,000 pounds from 14,224,000 in 1942, and cordage increased to 31,696,000 pounds from 12,432,000.

Shipments of piece goods during the last 2 years were generally of a heavier type than before the war, averaging 4.1 ounces per square yard instead of 3.2 as formerly. Exports of thread in lengths exceeding 1,000 yards rose in 1942 and 1943, particularly to Latin-American countries.

Cotton and Products

Increase in Cotton Production, Colombia

Colombia's 1944 cotton crop is estimated at 4,800 metric tons, compared with 4,420 tons in 1943. In some areas of the Department of Tolima, the cultivation of cotton has displaced sesame and tobacco. From 1,000 to 1,300 tons of cotton will be produced in 1944, as against 845 tons in 1943.

Cotton Production in Iraq

Production of cotton in Iraq during the 1943 season totaled only 640 metric tons, as compared with 792 in 1942 and 3,600 in 1941. Up to July 31, 2,078,286 kilograms had been delivered to the three ginneries, and the 2,066,648 kilograms ginned by that time produced 3,445 bales of lint cotton weighing 639,577 kilograms. The crop was free from serious diseases and the quality good.

Based on the quantity of cotton seeds distributed, the 1944 cotton crop is expected to be double that of the preceding year.

Wool and Products

Conditions in Argentine Wool Market

Although Argentina's 1944–45 wool clip is estimated at 230,000 metric tons, compared with 235,000 metric tons in 1943–44, it is believed that the quality will be somewhat inferior. Because of severe drought conditions, wools from Entre Rios and Corrientes are expected to contain more grit and burrs than usual. Similar conditions are said to prevail in the northern and western parts of Buenos Aires Province. From La Pampa Territory, it is reported that the fiber yield is proving to be very brittle and of much shorter staple.

Estimates as to the various grades being produced in 1944–45 seem to indicate a very slight trend away from the production of coarse and medium crossbreds to that of fine and Merino wools.

As of October 1, commercial stocks amounted to 157,954 metric tons on a greasy basis. Most of these have already been sold on account to France, Belgium, and the United States, but because of shipping conditions were held in Buenos Aires warehouses. Unsold farm stocks were estimated at 72,000 metric tons. Total supplies of wool for the 1944–45 wool year are placed at 460,000 metric tons, from which approximately 50,000 tons must be deducted for domestic consumption.

Exports during October, the first of the new season, amounted to 17,759 bales, compared with October 1943 shipments of 15,226 bales. On a grease-wool basis, the figures would be 8,473 metric tons and 7,897 metric tons, respectively.

Exports of Peruvian Wools

The United States was the largest single purchaser of Peruvian wools in 1942 and 1943, and, together with the United Kingdom, took more than 95 percent of the total shipments, which were classified as follows:

Classification	Quantity (metric tons)		Value (soles)	
	1942	1943	1942	1943
Alpaca wool	2,304	2,682	8,038,000	10,800,000
Sheep wool	889	1,565	2,226,000	4,100,000
Huarizo and llama wool	336	353	766,000	1,134,000
Total	3,529	4,600	11,030,000	16,034,000

Woolen-Textile Industry, Spain

Wholesale cancelations of contracts by Germany seriously affected Spain's woolen-textile industry during the July–September quarter, and it is said that production was less than during any similar quarter for several years.

Turkey's Wool Clip

Turkey's 1944 wool clip is expected to yield approximately 30,000 tons and the mohair clip 5,000 tons. The total amount plus the small carry-over from 1943 probably will be sufficient for domestic needs, as well as for whatever limited export demand may develop.

Wool-Textile Industry, U. S. S. R.

Production of wool goods in the Soviet Union during 1943 was 7.3 percent greater than in 1942, states the foreign press. Plans being formulated would help to make the country self-sufficient in finished textiles. During 1944, 330,000 additional spindles and 9,000 looms were expected to be brought into use in the various branches of the textile industry. Although a sizable foreign allocation of relief clothing is needed at present, it is believed that the principal requirements after the war will be for raw materials.

Miscellaneous Fibers

Abacá Exported From Panama

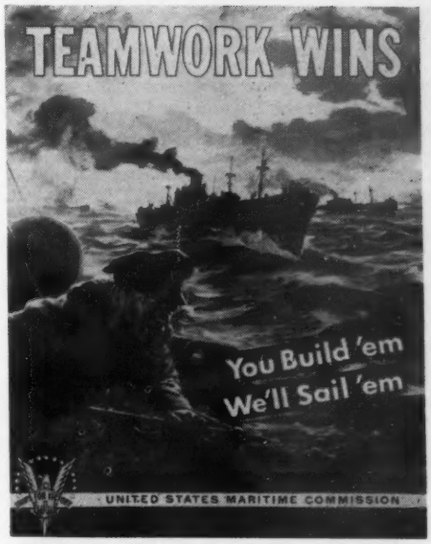
During the first 8 months of 1944, 1,397,682 kilograms of abacá fiber were exported from Panama. In the preceding year 1,331,187 kilograms were exported and 280,857 kilograms in 1942.

Wearing Apparel

Imports into Dominican Republic

In the first 5 months of 1944, the Dominican Republic imported clothing valued at $110,184, more than half of which consisted of various kinds of headgear.

Business Is the Greatest Single Force for Social Good



Hosiery of cotton, silk, or rayon was next in importance, accounting for slightly over one-third of the total value.

Details are given in the following table:

Imports of Clothing into the Dominican Republic

Commodity	Kilograms	Value
Caps and hats	8,122.2	$59,591
Hosiery:		
Silk or rayon	2,471.3	26,396
Cotton	3,316.9	12,691
Dresses of cotton, not knitted	1,652.6	7,245
Shirts of cotton, knitted	1,347.0	4,261
Total	16,910.0	110,184

Tobacco and Related Products

Conditions in Brazilian Market

Exports of tobacco from Brazil during October 1944 totaled 55,890 bales of 75 kilograms each, compared with 43,935 in the preceding month and 6,934 bales in October 1943. The bulk of the shipments went to Spain, with Argentina and Sweden taking smaller amounts. Stocks on hand in the city of Bahia on October 31, 1944, totaled 171,718 bales, compared with 185,394 on the corresponding date in 1943. Tobacco imports from the United States into Bahia increased from 25 tons in the first 10 months of 1943 to 99 in the corresponding period of 1943.

Production and Trade in Tobacco, Iran

The current tobacco crop in Iran is estimated at 8,069,000 kilograms, of which 4,000,000 kilograms will be cigarette tobacco, 3,105,000 regular pipe tobacco, and the remainder tobacco for water pipes.

The area planted to tobacco during the fiscal year ended March 20, 1945, totaled 27,000 acres, of which 14,000 were devoted to cigarette tobacco, 11,625 acres to regular pipe tobacco, and 1,375 acres to tobacco for water pipes.

Imports of tobacco and tobacco products during the year ended March 20,

1944, was estimated at 24,393 kilograms, valued at 1,328,151 rials, and exports, 13,134 kilograms, valued at 549,742 rials.

Domestic consumption of tobacco during the current Iranian year is estimated at 7,490,000 kilograms.

Prices paid to tobacco growers in Iran range from 5 to 63 rials per kilogram for cigarette tobacco, from 3 to 30 rials for pipe tobacco, and from 4 to 20 rials per kilogram for water-pipe tobacco.

During the year ended August 28, 1944, 3,959,416 kilograms of cigarette tobacco, 2,656,555 kilograms of pipe tobacco, and 874,155 kilograms of water-pipe tobacco, all grown in Iran, were used in the manufacture of cigarettes, and cigarette and pipe tobacco. During the same period 2,781,135,890 cigarettes, 2,537,556 kilograms of pipe tobacco, 894,505 kilograms of water-pipe tobacco, and 38,807 kilograms of semi-ground tobacco for cigarettes were manufactured in the country.

With the exception of the quantities exported, all tobacco products manufactured in Iran were locally consumed. In addition to domestic manufactures, considerable quantities of United States and British cigarettes and pipe tobacco have reached Iranian trade channels and have been consumed locally since the arrival of the Allied forces in Iran and may prove to be the beginning of a small market for the United States product.

Tobacco Situation in New Zealand

Tobacco growers in New Zealand fell short of their 1943–44 goal by almost 1,000,000 pounds of leaf. Production was only 3,100,000 pounds, compared with 3,185,183 pounds in the preceding year, although acreage increased slightly. Because of adverse weather conditions, the quality of tobacco grown this year was somewhat inferior to that of last year. Total acreage for the 1944–45 season is expected to be a little larger than for 1943–44.

There was a small increase in the average price received by the growers for the 1943–44 harvest. Flue-cured tobacco averaged 1s. 11½d. ($0.31) per pound, and air-dried leaf, 1s. 8½d. ($0.27) per pound, in comparison with the 1942–43 prices of 1s. 10½d. ($0.30) for flue-cured and 1s. 7½d. ($0.26) for air-dried.

Imports of tobacco and tobacco products for the first 8 months of 1944 totaled 2,535,476 pounds, valued at £NZ438,275 (1 £NZ=$3.2060 United States currency). Government revenues from tobacco during the period totaled £NZ3,274,399, of which £NZ1,797,583 was war tax and £NZ1,476,816 was ordinary tax. Tax from domestic tobacco accounted for £NZ3,705,313 of the total revenue.

Output of Tobacco, Southern Rhodesia

At the close of the tobacco season in Southern Rhodesia slightly more than 30,000,000 pounds of flue-cured tobacco had been sold for £2,759,000, stated the British press. The growing of Turkish tobacco in Mashonaland in Southern Rhodesia has increased so much in recent years that a 6,000,000-pound production in the coming season is a possibility.

U. S. Export Control and Related Announcements

(Developments communicated to the Trade Controls Unit up to Monday, January 1, 1945)

The Foreign Economic Administration has issued the following Current Export Bulletin:

No. 592—*Current Export Bulletin No. 219, December 29, 1944*

I. *CHANGE IN G-POST DOLLAR VALUE LIMITS*

The Foreign Economic Administration has found it necessary, because of the misuse which has been made of General License G–POST, to reduce the G–POST dollar value limits for certain commodities. Exporters should refer to page 127 of Comprehensive Export Schedule No. 16 for detailed information regarding the use of G–POST.

The G–POST Dollar Value Limits Column of Comprehensive Export Schedule No. 16 is amended as follows:

Department of Commerce Schedule B No.	Commodity	Old, G–POST dollar value limits	New, G–POST dollar value limits	Effective date of change
	Leather manufactures:			
	Boots and shoes (include athletic and sporting):			
	Men's:			*1945*
0645.10	McKay sewed	25	1	Jan. 5
0645.30	Welt	25	1	Do.
0645.40	Stitchdown	25	1	Do.
0645.90	Other	25	1	Do.
0646.00	Youth's and boys'	25	1	Do.
	Women's and misses':			
0647.10	McKay sewed	25	1	Do.
0647.20	Turn or turned	25	1	Do.
0647.30	Welt	25	1	Do.
0647.40	Stitchdown	25	1	Do.
0647.50	With cemented soles (compo, argo, stuck-on, etc.)	25	1	Do.
0647.90	Other	25	1	Do.
0648.00	Infants' and children's	25	1	Do.
	Cotton manufactures:			
	Knit goods (report knit headwear in 3957.00):			
	Hosiery:			
3093.00	Women's	25	1	Do.
3094.00	Children's	25	1	Do.
3095.00	Men's	25	1	Do.
	Underwear:			
3096.05	Men's	25	1	Do.
3096.98	Boys'	25	1	Do.
3097.00	Women's and children's	25	1	Do.
3098.00	Nightwear, knit, women's and children's (include balbriggan pajamas and Dentons).	25	1	Do.
	Outerwear:			
3099.15	Men's sweaters, jersey pullovers, and sweatshirts	25	1	Do.
3099.19	Boys' sweaters, jersey pullovers, and sweatshirts	25	1	Do.
3099.50	Women's and children's sweaters and shawls	25	1	Do.
3099.95	Other men's knit apparel, n. e. s. (include polo shirts)	25	1	Do.
3099.98	Other knit apparel, n. e. s. (include knit dresses)	25	1	Do.
	Garments of woven fabrics:			
3122.00	Women's dresses and ensembles (include eyelet, velveteen and lace) (1, 2, and 3 pieces as 1 unit).	25	1	Do.
3124.00	Women's and children's underwear and nightwear not knit (include diapers).	25	1	Do.
	Rayon, nylon, and other synthetic textiles:			
	Piece goods, wholly or chiefly rayon and other synthetic fibers:			
3848.00	Knit fabric in the piece	25	1	Do.
	Woven filament yarn fabrics, n. e. s. (include fabrics of nylon and glass fibers):			
3849.30	Printed (pounds)	25	1	Do.
3849.31	Printed (quantity only)	25	1	Do.
3849.50	Other (include greige, white piece-dyed, and yarn-dyed fabrics) (pounds).	25	1	Do.
3849.51	Other (include greige, white, piece-dyed, and yarn-dyed fabrics) (quantity only).	25	1	Do.
	Woven spun rayon fabrics, n. e. s. (include fabrics of casein and other protein fibers):			
3849.60	Printed (pound)	25	1	Do.
3849.61	Printed (quantity only)	25	1	Do.
3849.70	Other (include greige, white, piece-dyed and yarn-dyed fabrics) (pounds).	25	1	Do.
3849.71	Other (include greige, white, piece-dyed and yarn-dyed fabrics) (quantity only).	25	1	Do.
	Dresses, skirts, blouses and other outerwear for women and children:			
3852.00	Not knit or crocheted (1- 2- and 3-piece ensembles as 1 unit) (include woven bathing suits)	25	1	Do.
3853.10	Knit or crocheted dresses and ensembles	25	1	Do.
3853.20	Other knit outerwear (inclue crocheted shawls, sweaters, and gloves of knit rayon)	25	1	Do.
	Hosiery:			
3854.90	Women's and children's Synthetic textiles other than nylon	25	1	Do.
3856.00	Men's socks	25	1	Do.
3857.10	Knit underwear	25	1	Do.
3857.20	Woven underwear	25	1	Do.
3857.70	Sleeping and lounging garments, knit or woven (include pajamas, gowns, robes, and kimonos) (specify whether knit or woven).	25	1	Do.

Department of Commerce Schedule B No.	Commodity	Old, G-POST dollar value limits	New, G-POST dollar value limits	Effective date of change
	Rayon—Continued.			*1945*
3858.10	Ribbons (include woven labels)	25	1	Jan. 25
	Braids, fringes and narrow trimmings (report hat braids in 3940.00):			
3858.55	Rayon	25	1	Do.
3858.58	Other synthetic textiles	25	1	Do.
3859.00	Other synthetic textile manufactures (include men's outerwear, knit or woven) (specify whether knit or woven)	25	1	Do.
	Iron and steel advance manufactures:			
6119.00	Cutlery and parts, other (include cutlery-sharpening devices, can openers and machetes):			
6119.00	Straight razors	25	1	Do.
6119.00	Other cutlery and parts	25	25	Do.
	Miscellaneous office supplies:			
	Fountain and stylographic pens:			
9309.00	Of plastic materials (cellulose acetate, nitrocellulose, and synthetic resins).	25	1	Do.
9310.00	Of other materials	25	1	Do.

Any of the above commodities mailed prior to the effective date of change may be exported under the previous general license provisions.

II. REVISION OF ACKNOWLEDGMENT CARD (FORM FEA 116)

Effective February 1, 1945, the acknowledgment card, Form FEA 116, as revised November 1944, must be submitted with each individual export license application. The cards may be obtained from the Requirements and Supply Branch, Foreign Economic Administration, Washington 25, D. C., or from the Bureau of Supplies, Foreign Economic Administration, 61 Broadway, New York 6, N. Y.

Exporters and private printing establishments may continue the reproduction of the cards at their own expense provided the cards are exact facsimiles of the FEA 116 as revised November 1944. The penalty indicia, formerly appearing in the upper right corner of the acknowledgment card, will no longer be printed but will be stamped simultaneously with the postmark at the time the card is mailed to the applicant by the Foreign Economic Administration.

All supplies of acknowledgment cards held by exporters which differ from the form as revised November 1944 must be destroyed prior to February 1, 1945. Thereafter license applications received with other than the revised Form FEA 116 attached will be returned without action.

The foregoing provisions have become necessary as a result of the enactment of Public Law No. 364, amending the use of the penalty privilege, and the necessity thereunder for exact accounting by the Foreign Economic Administration to the Post Office Department with reference to all acknowledgment cards.

III. EXPORTS OF COTTON AND RAYON REMNANTS LESS THAN 10 YARDS IN LENGTH

In order that exporters may be guided in the use of export licenses issued for rayon and cotton remnants (pieces less than 10 yards in length), attention is called to the following provisions of the WPB Orders M–317 (cotton textiles) and M–356 (rayon fabrics).

Paragraph h (i) of Order M–317 provides:

"h (i) *Exports.*—No person shall purchase for export without a preference rating any cotton textiles except woven or braided fabrics 12" or less wide, remnants (pieces shorter than 10 yards) and rags (pieces shorter than 2 yards commonly sold by the pound)."

Paragraph e (2) of WPB Order M–356 provides:

"e (2) *Exports.*—No person shall purchase, accept delivery of, deliver or knowingly sell for delivery for export, any rayon yarn or rayon fabrics without a preference rated export order as defined in paragraph (d) (4) except rags or pieces of fabric shorter than 10 yards."

Export licenses for cotton and rayon remnants less than 10 yards in length are issued only for remnants which may be purchased for export without a rating under the provisions of the above WPB orders. In addition, remnants for export are defined by the Foreign Economic Administration to include only remnants unavoidably created in the normal course of manufacturing or processing. Accordingly, any cotton piece goods or rayon fabrics which have been intentionally cut into pieces shorter than 10 yards may not be exported under licenses covering rayon and cotton remnants less than 10 yards in length.

Remnants which have been sewn together into pieces longer than 10 yards for dyeing or other purposes may not be classified as remnants under Schedule B No. 3849.90 or under Schedule B No. 3089.50 but should be classified under the appropriate Schedule B number for cotton piece goods or rayon fabrics. However, applications which specifically state that the material consists of remnants less than 10 yards which have been sewn together will be considered in relation to allocations set up for remnants rather than allocations for piece goods.

IV. PROCEDURE FOR SENDING "GIFT PARCELS TO PRISONERS OF WAR AND INTERNED CIVILIANS"

A. The procedure for sending "Gift Parcels to Prisoners of War and Interned Civilians" is amended to include special provisions for the sending of gift parcels to Italian Prisoners of War and Civilian Internees held by Allied Authorities outside of the United States or its possessions. In addition, the Office of the Provost Marshal General no longer issues a "duplicate" parcel label, and the tobacco label is no longer "buff-colored."

B. Effective immediately, therefore, the procedure for sending "Gift Parcels to Prisoners of War and Interned Civilians," set forth in Comprehensive Export Schedule No. 16, Part 1, title T, pages 133–136, is amended as follows:

1. Under paragraph 1, entitled "American Red Cross Gift Parcels" a new paragraph shall be added as follows:

c. The procedure to be followed in connection with the forwarding of gift parcels to Italian prisoners of war and internees in Allied custody outside of the United States or its possessions is set forth under paragraph 6. *i*, below.

2. In paragraph 3, entitled "Gifts to Enemy Nationals in Prison Camps," the last sentence is changed to read as follows:

No parcel post shipment may be made to an enemy national held prisoner in any camp outside of the United States or its possessions except as provided under item 6. i, below.

3. Under paragraph 6, entitled "How to Send Gifts Through Red Cross," a new paragraph shall be inserted as follows:

i. Parcels for Italian Prisoners of War and Civilian Internees held by Allied Authorities Outside of the United States or its Possessions. Next of kin in the United States who are in possession of labels issued by the detaining authorities and forwarded by the prisoner to the United States may arrange for the forwarding of standard Red Cross food parcels to the prisoners by presenting the label to the Red Cross Chapter located in the city or town in which the sender resides, at the same time paying to the Red Cross $3.75 to cover the cost of the items and expense of sending the parcel. A parcel may not be sent from the United States to any given addressee in this category oftener than once in any three-month period. The person placing the order for a parcel must submit proof that the degree of kinship between him and the addressee is closer than first cousin. Final determination as to whether the order can be accepted will be made at national headquarters of the American Red Cross.

4. In paragraph 7. *c.*, *delete* the third sentence which reads, "Where the labels are issued in duplicate_____" In the last sentence of this paragraph, *delete* the words "or its duplicate."

5. In paragraph 7. *c.* (iii), *delete* the last sentence which reads, "It will state the calendar 60-day period_____."

6. In paragraph 7. *c.* (iv), *delete* the words "in duplicate" which appear in the seventh line.

7. In paragraph 7. *c.*" (v) *delete* the words "buff-colored" which appear in the last paragraph.

8. In paragraph 8. *a.* (ii), *delete* the words "buff-colored."

Import Control

No. 58—Amendment No. 1 to War Food Order 63 Controlling Importation of Certain Foods

The War Food Administration has issued Amendment No. 1 to WFO–63, to become effective December 23, 1944.

This amendment provides for three changes in controls on imported foods. Ginger root, ground and unground, not preserved or candied, and pimentos (allspice), both ground and unground, have been removed from the list of foods subject to WFO–63. In addition, the exemption of dried apples from the order when brought in overland, by air, or by inland waterway from Canada, Mexico, El Salvador, or Guatemala, has been removed. As a result they have been placed under full control when so imported.

No. 59—Amendment I to General Imports Order M–63, Making Specified Changes in Lists I, II and III, and Amending Paragraph (f) (1) of the Text of that Order

Amendment I to General Imports Order M–63 as amended November 8, 1944, issued by the War Production Board on December 28, 1944, and effective on that date, deletes certain products from Lists II and III, and moves certain other materials from List I to List II of that Order.

Another change made by this Amendment amends the wording of paragraph (f) (1) of the text of the Order so as to make it unnecessary to file Form WPB–1040 on entries of List III materials coming via the overland route from Canada, Mexico, Guatemala, or El Salvador, by adding the following clause at the end of the first sentence of paragraph (f) (1):

"Except in the case of a material described in paragraph (b) (4) (xi) when the person making the entry need not file with the entry Form WPB–1040 (formerly PD–222–B)"

The following changes are made in Lists I, II, and III (Schedule A Commerce Import Class Numbers in parentheses; N. S. C. indicates no separate class number provided in Schedule A of the Department of Commerce):

Removed from List II.—Cotton yarns and fabrics: airplane cloth, type MM

(N. S. C.); balloon fabric, type HH (N. S. C.); balloon fabric, type SS (N. S. C.); decating apron fabric (N. S. C.); English spun combed cotton yarn, single or plied, in counts of 58's and finer (N. S. C.); filter cloth (N. S. C.); lithograph moleskin cloth (N. S. C.); leather products made in whole or in part of bovine, equine, or goatskin leather: gloves, work (N. S. C.); pulpwood, except chipped pulpwood (4590.000–4595.000 incl.); printers molleton (N. S. C.).

Removed from List III.—Hides and skins: shearlings, dry and wet (except close shorn skins with commercially worthless wool, ¼ inch and down) (N. S. C.); sheep and lambskins, except shearlings, cabrettas, etc.: other wooled (wool on) except shearlings (0231.500); pearl shells or mother-of-pearl shells, unmanufactured (0961.000); wool, apparel, 40's or coarser, on the skin (3507.000 and 3509.000); wool, apparel, finer than 40's not finer than 44's on the skin (3514.000 and 3525.000); wool, carpet, on the skin (3502.000).

Moved from List I to List II.—Agave manufactures and semi-manufactures: sisal cordage, including cables, tarred or untarred composed of 3 or more strands, each strand composed of 2 or more yarns (3417.010 and 3417.110); carpet yarns of agave, dyed or undyed (N. S. C.); cordage of agave fibers, other than sisal (N. S. C.); cords and twines of agave fibers (N. S. C.); fabrics woven of agave fibers (N. S. C.); other manufactures (including all products in whole or in part of agave fibers) (N. S. C.); cinchona bark or other bark from which quinine may be extracted (2201.000); graphite or plumbago: amorphous, natural (except of Mexican origin) (5730.100); crystalline flake (5730.500); crystalline, crucible lump and chip graphite (5730.610); crystalline, dust and other crystalline lump and chip graphite (5730.630); pyrethrum or insect flowers (2202.000); pyrethrum or insect flowers, advanced in value or condition (2220.310); red squill (2210.650); rotenone bearing roots (cube root (timbo or barbasco); derris and tuba), crude and advanced (2210.280, 2210.300, 2220.360, 2220.370); tantalum ore (tantalite) (6270.400);

Price Control

No. 24—*Adjustment of Maximum Export Price on Finished Piece Goods (2d Revised Maximum Export Price Regulation, Order 65)*

Effective December 18, 1944, the Office of Price Administration issued Order 65 under 2d Revised Maximum Export Price Regulation, pursuant to Section 12 of the Regulation.

By this order any manufacturer or producer of finished piece goods which are governed in the domestic market by Maximum Price Regulation No. 127, when computing his maximum export price for any such goods which he delivers to an ocean carrier for export prior to March 3, 1945 against a firm contract entered into prior to November 15, 1944, may take as his base price the maximum domestic price provided by Maximum Price Regulation No. 127 prior to adoption of Amendment No. 26 thereto on December 3, 1944. To benefit from this provision such goods as are delivered to the ocean carrier after January 2, 1945 must have, prior to that date, been packed, marked with the name and address of the foreign purchaser, and set aside and held for the foreign purchaser and the exporter must have prepared and retained inventory records identifying the goods as having been appropriated to the foreign purchaser on or before January 2, 1945.

The text of the Order is as follows:

FINISHED PIECE GOODS

[2d Rev. Max. Export Price Reg., Order 65]

ADJUSTMENT OF MAXIMUM PRICES

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and pursuant to section 12 of the Second Revised Maximum Export Price Regulation, *It is ordered:*

Notwithstanding any contrary provision of the Second Revised Maximum Export Price Regulation, any manufacturer or producer of finished piece goods which are governed in the domestic market by Maximum Price Regulation No. 127 may, in computing his maximum export price for any such goods which he delivers to an ocean carrier for export prior to March 3, 1945, against a firm contract entered into prior to November 15, 1944, take as his base price the maximum domestic price provided by Maximum Price Regulation No. 127 prior to adoption of Amendment No. 26 thereto on December 3, 1944: *Provided*, That such goods as are delivered to the ocean carrier after January 2, 1945, have prior to that date been packed, marked with the name and address of the foreign purchaser, and set aside and held for the foreign purchaser and that the exporter has prepared and retains inventory records identifying the goods as having been appropriated to the foreign purchaser on or before January 2, 1945.

This order shall become effective on December 18, 1944.

Issued this 16th day of December 1944.

CHESTER BOWLES,
Administrator.

Iceland's soap production in 1943 amounted to 347 tons; in 1942, 383 tons; and in 1941, 452 tons. Manufacture of washing powder in 1943 totaled 140 tons, a considerable reduction from the 229 tons produced in 1942.

The I. A. D. C. Now

(Continued from p. 3)

in promoting the adoption of uniform technical standards throughout the Americas as an aid to industrial development and trade.

Handicrafts, Fisheries

As part of a long-range program for the systematic development of handicraft industries in the other Americas, the Inter-American Development Commission has sent a specialist in hand-made textiles to Mexico and an expert in handicrafts to Peru. The objective is the creation of high-standard merchandise, by proper styling of native handicraft articles, and the organization of their production to supply domestic markets and for export to the United States. Similar surveys are contemplated in Bolivia, Chile, and Guatemala.

A fisheries survey in the Caribbean area was arranged and a technical fisheries mission was sent to make studies of new sources of marine foods and the development of local fishery industries. During the survey, the mission was assisted by the national Commissions of the eleven countries visited. The result has been a stimulation by nationals in a number of these countries of their own fishery industries.

Efforts Immensely Varied

The Inter-American Development Commission is interested in assisting young men from the other Americas in securing practical training with private United States industrial and business concerns. In furtherance of this program it is cooperating with the International Training Administration, a non-profit, world-wide organization which provides services in connection with the selection, transportation, and programs of trainees.

One of the first problems dealt with by the Inter-American Development Commission soon after its organization was the production in Brazil of high-quality tapioca flour to replace that formerly obtained from the Far East. At the request of Brazilian authorities, arrangements were made for technical studies and the preparation of estimates and plans for the construction of plants for the production of this flour.

Plans were worked out for the development of the production in various American republics of other articles for export to the United States, to replace goods formerly obtained by the United States from Europe and other countries. Commercial organizations in the United States sent special representatives to explore these possibilities. This resulted in an increased demand in the United States for articles produced in the other American republics.

To assist merchants, importers, and exporters throughout the Americas, the Inter-American Development Commission established in New York a Merchandising Advisory Service. The Advisory Service provided data about persons,

firms, products, and markets in this hemisphere. However, the shortage of shipping and wartime restrictions in trade resulted in a discontinuance of the service.

Post-Pearl-Harbor Changes

The permanent long-term development program of the Commissions of Inter-American Development was radically altered with the entrance of the United States and other American countries into the war. The parent Commission in Washington immediately took steps to acquaint the other American republics with the experience of the United States in meeting wartime problems, by distribution through the national Commissions of informative publications.

The chief problems created by the war in some of the other American republics were the shortage of foodstuffs, unemployment due to curtailment of certain industries, reduction in customs revenues, price inflation, and an accentuation of inadequate transportation. To help solve some of these problems, the Commissions of Inter-American Development provided expert advice and technical data and assisted in the creation of a number of projects.

One of these projects was a survey of Brazil's tremendous vegetable-oil resources by a group of technical specialists provided by the Inter-American Development Commission upon request of the Brazilian Ministry of Agriculture. The information developed by the study, which was printed and distributed by the Commission, assisted in stimulation of Brazil's production and of increased imports by the United States of many essential vegetable oils formerly received from the Far East and the Indies.

The parent Commission in Washington assisted toward the conclusion of an agreement between the Dominican Republic and Haiti regarding the distribution of Haitian fiber, a material of importance to the war industries in the United States, as well as to the national industry of the Dominican Republic.

The Cuban Commission of Inter-American Development submitted a project for expanding the capacity of a chemical plant producing chlorine, muriatic acid, and caustic soda. The Chilean Commission prepared projects for expansion of facilities for producing copper plate, erection of a plant to produce copper wire, and for expansion of industries manufacturing woolens and leather for the purpose of providing military equipment to the American republics.

Resources Mobilized

The over-all productive capacity in Latin America has increased as never before. It has been supplying the United States with many vital materials such as strategic metals, rubber, petroleum, and foodstuffs. It has been the most important, and in many cases the only, source of supply for a large part of the critical materials necessary to the United States war effort.

Expansion of wartime production throughout the hemisphere is reflected in the export and import figures between the United States and the other Americas. These figures show notable increase despite shortage of shipping and the conversion of United States industry to war. In 1943, imports of the United States from the other American republics were more than $1,310,000,000, compared with $646,000,000 in 1939. In 1943, United States exports to the other Americas were $819,000,000, compared with $543,000,000 in 1939.

This mobilization of hemisphere resources was aided by measures adopted at a number of inter-American meetings called for the purpose of intensifying hemisphere cooperation. The Inter-American Development Commission was formed to assist in carrying out in part some of these measures.

Results of Conference

For the purpose of charting a course of future economic cooperation during the transition into the post-war period, the Commissions of Inter-American Development held their first Conference in May 1944. Delegates from the 21 American republics, representing finance, industry, agriculture, commerce, and government, expressed their concerted thinking and joint views in the 45 resolutions which were unanimously adopted.

These resolutions anticipate the many problems of reconversion, of readjustment, and of national and international economics. They cover industrial development, investment, trade and transportation, utilization of natural resources, and many other phases of economic activity throughout the hemisphere. In effect, they form a basis for a constructive approach to a better economic future in the Western Hemisphere.

Background

The Inter-American Development Commission was created in furtherance of the economic policy adopted by the American Foreign Ministers when they met in Panama in September 1939, upon the outbreak of the war in Europe, to consider ways and means of meeting the emergency situation. At this consultative meeting the American Foreign

(Continued on p. 46)

Latin American Exchange Rates

NOTE.—Averages are actual selling rates for sight drafts on New York, in units of foreign currency, per dollar, with the following exception: Cuba—United States dollar to the peso. The peso of the Dominican Republic, the Guatemalan quetzal, and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to a dollar.

Country	Unit quoted	Type of exchange	Average rate			Latest available quotation		
			1942 (annual)	1943 (annual)	August 1944 (monthly)	Rate	Approximate equivalent in U. S. currency	Date
Argentina	Paper peso	Official A	3.73	3.73	3.73	3.73	$0.2681	Nov. 4, 1944
		Official B	4.23	4.23	4.23	4.23	.2364	Do.
		Bid	4.94	4.94	4.94	4.94	.2024	Do.
		Free market		4.06	4.0450	4.03	.2482	Do.
Bolivia	Boliviano	Controlled	46.46	42.91	42.42	42.42	.0236	Nov. 21, 1944
		Curb	49.66	45.42	50.00	57.00	.0175	Do.
Brazil	Cruzeiro [1]	Official	16.50	16.50	16.50	16.50	.0606	Sept. 11, 1944
		Free market	19.64	19.63	19.565	19.50	.0513	Do.
		Special free market	20.52	20.43	20.30	20.00	.0500	Do.
Chile	Peso	Special	19.37	19.37	19.37	19.37	.0516	Nov. 30, 1944
		Export draft	25.00	25.00	25.00	25.00	.0400	Do.
		Free market	31.75	32.37	31.69	31.78	.0315	Do.
		"D. P." [2]	31.13	31.00	31.00	31.00	.0323	Do.
Colombia	do	Commercial bank	1.75	1.75	1.75	1.746	.5727	Oct. 7, 1944
		Bank of Republic	1.76	1.76	1.76	1.755	.5698	Do.
		Curb	1.77	1.76	1.75	1.75	.5714	Do.
Costa Rica	Colon	Uncontrolled	5.71	5.65	5.6776	5.70	.1754	Oct. 31 1944
		Controlled	5.62	5.62	5.62	5.62	.1779	Do.
Cuba	Peso	Free	1.00	1.00	1.00	1.00	1.0000	Do.
Ecuador	Sucre	Central Bank (official)	14.39	14.10	14.10	13.50	.0741	Nov. 20, 1944
Honduras	Lempira	Official	2.04	2.04	2.04	2.04	.4902	Nov. 30, 1944
Mexico	Peso	Free	4.85	4.85	4.85	4.85	.2062	Oct. 31, 1944
Nicaragua	Cordoba	Official	5.00	5.00	5.00	5.00	.2000	Nov. 25, 1944
		Curb		5.16	5.76	6.20	.1613	Do.
Paraguay	Paper peso	Official	333.00	[3] 333.00				
	Guarani [4]	do		3.10	3.12	3.12	.3205	Nov. 25, 1944
Peru	Sol	Free	6.50	6.50	6.50	6.50	.1538	Nov. 11, 1944
Salvador	Colon	do	2.50	2.50	2.50	2.50	.4000	Nov. 30, 1944
Uruguay	Peso	Controlled	1.90	1.90	1.90	1.90	.5263	Do.
		Free	1.90	1.90	1.90	1.90	.5263	Do.
Venezuela	Bolivar	Controlled	3.35	3.35	3.35	3.35	.2985	Nov. 20, 1944
		Free	3.45	3.35	3.35	3.35	.2985	Do.

[1] Under law of Oct. 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. Since Nov. 1, 1942, exchange quotations have been in terms of cruzeiros and centavos to the dollar.
[2] Disponibilidades proprias (private funds).
[3] Used until Nov. 7, when the paper peso was replaced by the guarani.
[4] New currency unit instituted as of Nov. 8, 1943. Paraguayan central bank establishes a "legal rate" from which buying and selling rates may vary by 1 percent. Since July 13, 1944, the legal rate has been fixed at 3.09 guaranis to the dollar, resulting in buying and selling rates of 3.059 and 3.121, respectively.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

Trade-Mark Applications

Argentina.—Notice of applications for registration of the following trade-marks was published in the Boletín Oficial of December 5, 1944. Opposition must be filed before January 8, 1945.

Trade-ark	*Class No. and product*
Meyercord	18—Entire class.
Excelsior	10—Entire class.

Brazil.—Notice of applications for registration of the following trade-marks was published in the Diário Official. Opposition must be filed within 60 days from the date of publication:

Trade-mark	Class No. and product	Date of publication
		1944
Ciclоplegina	3—Chemical substances and other preparations for use in medicine and in pharmacy. Vaccines and biocultures for use in medicine and in pharmacy.	Nov. 29
Iofcsfan	3—Pharmaceutical and medicinal preparation.	Do.
Fenotiazina Isa	2—Veterinary product	Do.
Lisococcin	do	Do.
Complevitan	41—Animal and vegetal foodstuffs preserved or not. Ingredients for foods and preparation of substances for the same purpose, preserved or not.	Do.
Santa Monica	48—Pharmaceutical specialty	Do.
Vigenox	do	Do.
D D T	2—Chemical substances used for agricultural and horticultural, veterinary and sanitary purposes.	Do.
Rhapsody	8—Precision, scientific (including for industrial, educational and utility purposes, measures and scales of all kinds) instruments.	Do.
Nightingale	do	Do.
Florida	40—Wooden and metal furniture, upholstered or not. (Except for office and technical use.) Mattresses, pillows, covers, and quilts for bed and furnitures.	Do.
Gutigenol	48—Perfumes and scented soaps.	Do.
Sweepstake	42—Wines and alcoholic beverages (not included in other classes).	Do.
Catramina	3—Chemical substances and other preparations for use in medicine and in pharmacy. Vaccines and biocultures for use in medicine and in pharmacy.	Do.
Proton	do	Do.
Sticon	47—Oils and other substances for heating, illuminating, combustion, or lubrification.	Dec. 5
Inluco	do	Do.
Steam	do	Do.
Sireco	do	Do.
Solvex	do	Do.
Viscol	do	Do.
Droco	do	Do.
Diesco	do	Do.
Dileo	do	Do.
Ted	do	Do.
Amprol	do	Do.
Ilco	do	Do.
Inlucite	60—Other articles, not specified in previous classes.	Do.
Quinaca	3—Pharmaceutical product	Do.
Shangri-La	48—Perfumes and scented soaps.	Do.
Tamponex	10—Instruments, apparatus and appliances, medicinal, surgical, veterinary for curative purposes or in relation to the health of man or animals.	Do.
Tamponette	do	Do.
Parisiana	48—Perfumes and scented soaps.	Do.
Planeta	38—Paper, for writing, binding and drawing of all kinds. Other paper manufactures (not included in other classes).	*1944* Ded. 5
Niagara	do	Do.
Panamerica	1—Chemical products for the industry.	Do.
Cafenamida	3—Chemical substances and other preparations for use in medicine and in pharmacy. Vaccines and biocultures for use in medicine and in pharmacy.	Do.
Letter R within a diamond.	12—Hardware and tubes of all kinds. Small metal articles. Other articles of metal not specified in other classes.	Do.
Bio-Amida	3—A pharmaceutical and medicinal preparation.	Do.
"6 9"	42—Wines and alcoholic beverages (not included in other classes).	Do.
Albicor	17—Office supplies and equipment of all kinds (except paper).	Do.
Dens	10—Instruments, apparatus and appliances, medicinal, surgical, veterinary for curative purposes or in relation to the health of man or animals.	Dec. 4
Adilone	48—Perfumes and scented soaps.	Dec. 6
Pan	10—Instruments, apparatus and appliances, medicinal, surgical, veterinary for curative purposes or in relation to the health of man or animals.	Do.
Libertas	1, 8, 11, 12, 16, 21, and 47	Do.
Rubi	38—Paper for cigarettes	Do.
Kent	44—Tobacco and tobacco manufactures and smokers' articles (except paper).	Do.
Opo-Bismon	3—Pharmaceutical preparation.	Do.
Dino'auro	1—Chemical substances used in manufactured products, industries, analyses, research, photography and as anticorrosives.	Do.
Dalina	2—Chemical substances used for agricultural and horticultural, veterinary and sanitary purposes.	Do.
Ideal	47—Oils and other substances for heating, illuminating, combustion or lubrification.	Do.
Milk Baby	15—Articles of porcelain, chinaware or ceramics for all purposes.	Do.
Tenax	1—Chemical substances used in manufactured products, industries, analyses, research, photography and as anticorrosives.	Do.
Hercules	60—Other articles, not specified in previous classes.	Do.
Dragão	55—Preparations for conserving and polishing floors and objects in general and for cleaning metals.	Do.
Gin	42—Gin	Do.
Oxford	36—Ties	Do.
Pollux	55—Preparations for conserving and polishing floors and objects in general and for cleaning metals.	Dec. 7
Goliath	do	Do.
Ivory	do	Do.
Splendid	8—Precision, scientific (including for industrial, educational and utility purposes, measures and scales of all kinds) instruments.	Do.
Wonderful Garden.	48—Perfumes and scented soaps.	Do.
Mayfair	do	Do.
Chance	do	Do.

Ecuador. The following trade-marks have been filed on the days indicated. In Ecuador a period of 2 to 3 months expires from the date of application before the first of four notices of applications for registration is published. Within 30 days from the first publication, interested persons may oppose registration. However, in practice, it is understood that protest may be filed before the Ministerial Resolution granting the registration. The Ministerial Resolution is usually effected within a period of 1 week to 1 month after the date of last publication:

Trade-mark	Product	Date of application
		1944
Crytion	Substance and products used in medicine, pharmacy, veterinary science and hygiene; drugs, mineral waters, and wines, and health tonics; insecticides for domestic use, etc.	Nov. 4
D'Orsay	Perfume and toilet articles; depilatories, hair tonics, cosmetics, lotions, dyes, etc.	Do.
Mondeza	Cereals, olive oil, canned fruits and vegetables.	Do.
Arcanco	Cereals, olive oil, dried fruits, canned fruits and vegetables, tea, coffee, etc.	Do.
Iris	Powders to dye all kinds of materials.	Oct. 25
Maltex S. A	Pharmaceutical, dietetic and chemical products.	Nov. 6
Colombina	Caramels, bonbons and cookies.	Oct. 30
Uniflo	Oils, greases made of petroleum for lubricants, etc.	Oct. 4

Foreign-Trade Figures, First 11 Months of 1944

(Continued from p. 25)

Imports for consumption during November totaled $322,000,000 and exceeded general imports for the third time this year. The November value indicates a decrease of 2 percent from the October figure but represents an increase of 7 percent over the value of imports for consumption for November 1943.

Information on the total value of merchandise trade with each of the Latin-American Republics, reported on 6-month delayed basis, discloses a decrease of 18 percent in imports and a decrease of less than 1 percent in exports during June 1944 from the previous month's figures. Export and import information for Canada is also available on a 6-month delayed basis as well as data on the gold and silver trade with the Latin-American Republics and Canada.

Since October 20 this year not a single ore train has left Kiruna in Swedish Lapland for the port of Narvik in Norway, reports the Stockholm daily, Dagens Nyheter. "It is satisfying that the export of iron ore to Germany has now entirely ceased," writes the paper editorially. (For a couple of months all Swedish ports in the Baltic and Gulf of Bothnia have been closed to German traffic. No German ships are loading at Narvik.)

New Books and Reports

★The following publications, added to the Department's research facilities, through the courtesy of the authors and publishers, are listed as a service to businessmen. *Please note:* The Department has no copies of private publications for distribution and cannot be responsible for their content. For private publications, write direct to the publishing agency given in each case.

Articles of Interest to Businessmen Appearing in the Department of State Bulletin December 24, 1944.

Copies of this publication, which is issued weekly by the Department of State, may be obtained from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for the price of 10 cents each; subscription price $2.75 a year. The December 24 issue contains these articles:

DEATH OF CARLOS CONCHA.

PRESENTATION OF LETTERS OF CREDENCE:
Ambassador of Cuba.
Ambassador of Bolivia.

UNITED STATES POLICY TOWARD POLAND:
Statement by the Secretary of State.

THE ADMINISTRATION AND STRUCTURE OF THE JAPANESE GOVERNMENT:
Article by Hugh Borton.

RATIFICATION OF DOUBLE-TAXATION CONVENTION AND PROTOCOL WITH FRANCE.

RATIFICATION OF DOUBLE-TAXATION CONVENTION WITH CANADA.

REORGANIZATION OF THE DEPARTMENT OF STATE:
Statement by the Secretary of State.
Major Objectives of United States Foreign Policy.

SUPPLEMENT TO THE DEPARTMENT OF STATE BULLETIN OF DECEMBER 17, 1944.

ORGANIZATION OF THE DEPARTMENT OF STATE:
Announcement of Reorganization.
Departmental Order 1301 of December 20, 1944.
Departmental Designation 106 of December 20, 1944.

Other Publications

MANUAL OF SUGAR COMPANIES 1944. FARR & Co. 1944. 22d ed. 243 pp. Price, $1. A reference manual containing statistics of sugar companies and the industry, as well as other important information such as an outline of the Sugar Act of 1937 and Amended Acts, of sugar quotas from 1934 to 1943, and of ceiling prices and rationing; historical and descriptive presentation of the beet-sugar industry of the United States, the cane-sugar industries of Louisiana and the Dominican Republic, and the sugar industries of the British West Indies and Hawaii. Statistical tables cover production, yields, prices, consumption, and related data.

Available from: Farr & Co., 120 Wall Street, New York 5, N. Y.

WORLD COMMODITIES AND WORLD CURRENCY. Benjamin Graham. 1944. 194 pp. Price, $2. A study of world planning for raw materials, which portrays how, with the use of the reserve or stock-pile technique, expansion and economic stability can be realized. In outlining his plan the author suggests that its use could achieve a fourfold result: Foreign-exchange stability, reasonable price stability, protective stock piles, a balanced expansion of world production and consumption of useful commodities.

Available from: McGraw-Hill Book Co., 330 West 42d Street, New York 18, N. Y.

SILVER JUBILEE REVIEW 1919–44. The American Chamber of Commerce of Cuba. 1944. 126 pp. Published during the twenty-fifth year of the American Chamber of Commerce of Cuba, the review contains a brief history of the Chamber since its founding, data on legislation and taxation of Cuba, and statistics covering a wide range of subjects, such as imports and exports of various commodities, bank deposits, electric-power consumption, public debt.

Available from: The American Chamber of Commerce of Cuba, Habana, Cuba.

PETROL: ITS DEVELOPMENT, PAST, PRESENT AND FUTURE—WITH SOME NOTES ON THE POTENTIALITIES OF HIGH-OCTANE FUELS FOR ROAD VEHICLES. H. Fossett. 1944. 131 pp. Reviews the part played by fuels in the development of the spark-ignition engine, discussing first the development of the oil industry and, second, how high-octane fuels can be used in road vehicles.

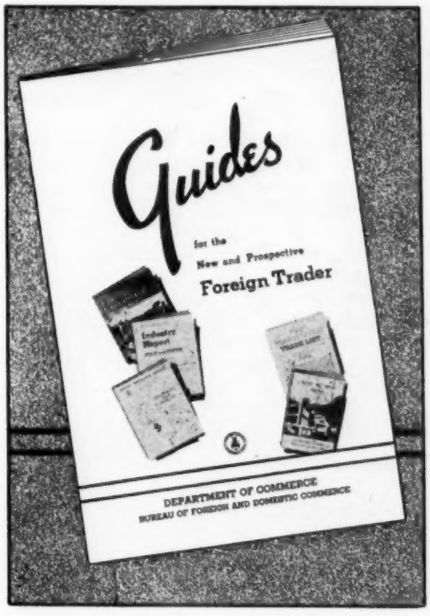
Available from: Institute of Automobile Engineers, 14 Hobart Place, London S. W. 1, England.

THOMAS' WHOLESALE GROCERY AND KINDRED TRADES REGISTER, 1944. Thomas Publishing Co. 1944. 46th annual ed. 1,576 pp. Price, $10. A buyers' and sellers' guide of the grocery and allied trades of the United States and Canada. Lists distributors—jobbers, brokers, chains, and so on; manufacturers, packers, producers, and so on, of products handled by the distributors; manufacturers of machinery, equipment and supplies; services recommended by jobbers at each point, such as banks, hotels, warehouses, premium goods, wholesale grocery associations; and canned-food associations, arbitration boards, and other associations.

Available from: Thomas Publishing Co., 461 Eighth Avenue, New York 1, N. Y.

THE WORLD'S AUTOMOBILES. G. R. Doyle. 1932, with wartime supplement 1944. 142 pp. Price, $2.50. Very limited distribution in the United States. Presents data on nearly 3,000 makes of automobiles, including country of origin, propulsion system, maker's name and factory address, dates of manufacture. The supplement brings up to date information on American cars and extends records of British, French, and others to the outbreak of the war.

Available from: G. R. Doyle, 22, Windmill Hill, Ruislip, Middlesex, England.



Trade Lists

The Commercial Intelligence Unit recently has compiled the following trade lists of which mimeographed copies may be obtained by American firms from the Bureau of Foreign and Domestic Commerce. The price is $1 a list for each country.

Glass and Glassware, Importers and Dealers—Ecuador.

Machinery, Importers and Distributors—Cuba.

Machinery, Importers and Distributors—Panama.

Medicinal and Toilet Preparations, Importers and Dealers—Panama.

Paper and Stationery, Importers and Dealers—Costa Rica.

Professional and Scientific Instruments, Importers and Dealers—Peru.

Modern Towns Built in Arabia by Oil Company

In a small town recently built by the Arabian-American Oil Co. at Dhahran, Saudi Arabia, all living quarters have running water and air conditioning. Construction of another town of this type is reported to be under consideration.

Such settlements require materials from abroad. In native construction indigenous materials, such as coral rock, are used, together with beams of teakwood imported from the East Indies.

Contributors' Column

Robert P. Donogh (co-author "Sweden's Unique Iron-Ore Position").—Born in Kentucky. Graduate University of Cincinnati, 1911. River and harbor work, U. S. E. D., and highway engineering, City of Cincinnati, prior to World War I. Served in army, 1917–19. Executive officer, Interallied Rhineland High Commission, 1919–23. Private business, Paris, France, 1923–28. Bureau of Foreign and Domestic Commerce (Division of Foreign Tariffs and European Unit, Division of International Economy) from 1929.

J. Edward Ely (co-author "Classification Changes in Export Statistics—Many Become Effective This Month").—Born Brooklyn, N. Y., Wesleyan (Connecticut) B. S. 1930; M. A. 1931; Yale Graduate School, Ph. D. 1940; with Federal Government since 1934; entered Foreign Trade Division, Bureau of the Census, May 1941. Statistical Assistant in Preparation of "Strategy of Raw Materials" published in 1934.

Marian Drake Hall ("Near East Sends Us Many Fragrant Oils").—Born in Brooklyn, N. Y.; educated at Columbia University, Brooklyn College, and University of Southern California. In 1940 was engaged in research in personnel problems for the Los Angeles Board of Education; transferred to War Department in 1941 and was historian at a munitions depot before coming to Washington in May 1944 to join the Industrial Projects Unit of the Bureau of Foreign and Domestic Commerce as Business Assistant.

Frederick W. Harrison (co-author "Classification Changes in Export Statistics—Many Become Effective This Month").—Born Holton, Maine. Attended University of Maine, B. A.; New York University, Ph. D.; New York University Bureau of Business Research 1928–30; member of faculty New York University 1930–31; taught economics and accounting Rensselaer Polytechnic Institute, Troy, N. Y., 1931–34; graduate study at New York University 1934–38; taught subjects in economics at Connecticut College for Women 1938–41; entered Government service November 1941; transferred to Foreign Trade Division, Bureau of the Census, August 1942.

J. Rafael Oreamuno ("The I. A. D. C. Now").—FOREIGN COMMERCE WEEKLY regrets that no biographical sketch of Señor Oreamuno is available at this time.

Donald B. Stough (co-author "Sweden's Unique Iron Ore Position").—Born in Youngstown, Ohio. Washington & Jefferson College, B. A. 1922; M. A. in Economics, American University Graduate School 1933. Writer on American business in Brazil while resident of Rio de Janeiro, for Brazilian-American Magazine 1924; variously newspaper reporter, steel worker, free-lance writer on economic subjects, high-school teacher of economics and history 1924–39; industrial engineer and supervisor, steel and construction industry 1939–44; Senior Economic Analyst, Metals and Minerals Unit, Bureau of Foreign and Domestic Commerce, May 1, 1944, where he is now assigned.

William P. Wright ("Tobacco in Venezuela").—Born in Toana, Va., Georgetown School of Foreign Service, B. S. (Foreign Service), 1924; transportation supervisor 1916–17; U. S. Army 1917–19, oversea service; salesman; librarian; commercial agent 1925–26, administrative assistant 1926–35, and assistant chief 1935–36, Foreign Service Division, Bureau of Foreign and Domestic Commerce; appointed trade commissioner at Johannesburg April 29, 1939; Foreign Service officer of class 7, July 1, 1939; appointed consul and secretary in the Diplomatic Service November 16, 1939; consul at Johannesburg December 29, 1939; assistant commercial attaché at Caracas August 19, 1943, where he is now assigned.

Colombian Department Wishes to Purchase Machinery and Tools

Fondo de Fomento Agrícola e Industrial, Calle 52 No. 51–60, Medellin, Colombia, South America (cable address: COLONAGRO), an agency of the government of the Department of Antioquia, of the Republic of Colombia, wishes quotations on the following: 20 hand plows, 10 horse-drawn plows, 15 tractor plows; sawmill machinery, portable, Diesel-engine-driven, also handsaws, board-cutting saws, etc., of good quality (10 complete sets of these tools). The equipment must be compact, for easy transportation in wooded country. Illustrated catalogs and prices are desired. Export packing. Freight prepaid to United States port. Payment in U. S. dollars; drafts to 120 days' sight; documents against acceptance; irrevocable letter of credit.

Correspondence may be in Spanish or English. World Trade Directory report available.

The agency is charged with the responsibility for the colonization of the northwestern part of the Department of Antioquia.

A previous notice regarding this agency's desire to purchase agricultural hand tools was published on page 41 of the December 9 issue of FOREIGN COMMERCE WEEKLY.

Shipments of china clay from the United Kingdom, amounting to 66,520 tons valued at £187,114 in 1943, represented a material decrease from the 366,538 tons worth £696,145 exported in 1938, reports the foreign press. Exports of china clay in 1942 amounted to 99,255 tons valued at £296,619.

Late AIRGRAMS

(Continued from p. 17)

the Government's financing methods. Considerable criticism from the press and financial circles is being expressed concerning the Government's proposal to shortly establish a governmental agency for the purpose of importing and purchasing domestic foodstuffs with a view of halting increasing food prices. The organization is to be financed by Government and social security funds, but doubt is being expressed that its establishment will achieve the desired objective. Serious food shortages, particularly of meat and milk, have occurred in Guayaquil. The principal criticism of the new sucre-dollar exchange rate, announced last month, is coming from exporters of agricultural products who now receive fewer sucres for their shipments. Prices of imported articles are not expected to decrease as a result of the change in the rate of exchange.

Sweden's Unique Iron-Ore Position

(Continued from p. 8)

Baltic, is the most important shipping point, but ore also moves through Gävle, Hargshamn, and Stockholm (Värton).

CONSERVATION OF RESERVES

The Geological Survey report previously mentioned points out that, as concerns mines owned by Swedish steel companies, exhaustion can be expected sooner than for mines in general, that they are not uniformly distributed among the companies, and their geographic situation is not always advantageous. The report recognizes the importance of low phosphorous and manganiferous ores to the domestic steel industry. It considers that two courses of State action are open, a negative one, involving restrictions, and a positive one, involving prospecting for new ore bodies and research in methods of using lower-grade ore for high-grade products.

By the existing agreement between the Swedish Government and the Trafik AB. Grängesberg–Oxelösund, exports from certain of the mines in Central Sweden (old part of Grängesberg export field) and from the Lapland mines are already limited to agreed quantities, while the current emergency restrictions on iron-ore exports would no doubt permit the Government to regulate such exports as long as these restrictions are valid. The report holds that, unless conditions change, exports of the desirable ores should not be increased, except in exchange for requisites particularly important to Swedish supply.

Iron Ore of Swedish Lapland

Estimates of the total ore reserves contained in the known deposits of Swedish Lapland vary widely; also, there

is lack of full conformity between estimates for individual fields, but an ore area of 800,000 square meters is known.

The immense Kiirunavaara (or Kiruna) deposit forms the backbone of a ridge rising to a height of nearly 250 meters above the surface of the adjacent lake. The deposit is about 5 kilometers (3.1 miles) long and ranges in width from 30 meters to 150 meters. Ore has been located by drilling at nearly 1,000 meters below lake level. The ore body is inclined some 30 degrees from the vertical. A conservative estimate places the total quantity of ore at 750,000,000 metric tons, later estimates consider twice that quantity possible, and even 2,000,000,000 tons is sometimes mentioned. The area of the deposit is 436,000 square meters, or more than half the total area of known Lapland deposits.

The ore is principally magnetite, with some hematite, and occurs in a pre-Cambrian syenitic formation (leptite). Iron content runs from 56 percent to an occasional 70 percent, the bulk of the ore containing about 61 percent. Other content may be stated as about: Phosphorus, 0.017 to 1.86 percent; sulfur, 0.01 to 0.046 percent; manganese, 0.7 percent, and TiO_2 (titanium dioxide), 0.3 percent. The ores are low in silica. Several classes of ore, graded by phosphorous content, are shipped. In 1939 there were four such classes. It is understood that classification is made by mixing ore mined in different parts of the deposit, in varying proportions, not by separation.

The mines at Kiruna are operated by Luossavaara–Kiirunavaara AB. (LKAB), open-cut methods predominating. Since there are 2 months of darkness in winter, electric illumination is an important feature. The ore, after blasting, is loaded by electric shovels. In 1938 there were 16 of these, some with 123 cubic feet scoop capacity. Ore is hauled to the crushers in 30-ton cars, in trains of five cars, with 200 hp. (D. C.) electric locomotives. There are two trains per shovel. Owing to size of equipment, output per man-shift sometimes reaches 18 tons, and pre-war wages averaged $0.67 an hour, skilled labor receiving up to $1.07 per hour.

The crushers can take blocks up to 10 tons. Ore is crushed to 12-inch size and dumped in a loading chute, which has a depth of about 200 meters (660 feet), and conveyed to the loading tracks, on which ore trains are spotted. These usually are in trains of 40 cars; car capacity is 35 tons.

Across the lake from Kiirunavaara there is a similar deposit, of much smaller extent, called "Luossavaara," also operated by LKAB. Iron content is somewhat lower and sulfur content higher than in Kiirunavaara ores. Phosphorus content varies, and Ti_2O_3 (titanous oxide), probably is about 0.7 percent. Most mining is underground.

About 5 kilometers east of Kiirunavaara lies the Tuolluvaara field. Although it is not large, the ore (magnetite, with quartz gangue) is unusual in Lapland, since much of it is low in phosphorus, and is used by steel mills in Central Sweden (6 of which own the field). Almost all mining is underground.

The deposits at Gällivare lie some 100 kilometers (62 miles) southward from Kiruna. The Malmberget (Iron Mountain) deposit is much the largest in this field, and is operated by LKAB. Both magnetite and hematite occur, and all belong to the self-fluxing class. Iron content is lower than at Kiruna, with phosphorus from 0.3 to 0.9 percent. Ores appear to contain some vanadium. A special concentrate is shipped to southern Sweden, for reduction to sponge iron. Mining was originally open-cut, but now is almost wholly underground. The Koskullskulle field (of Bergverks AB. Freja) is a smaller deposit, of self-fluxing magnetite, somewhat similar to Malmberget. All mining is underground. The total reserves at Gällivare (including Koskullskulle) are estimated at about 400,000,000 tons.

LKAB operates a flotation plant, in connection with its magnetic separator at Vitåfors (near Malmberget), where apatite is extracted from local and from Kiruna ores for use in superphosphate production. Output of apatite has reached 150,000 metric tons per annum. By this concentration the phosphorus content of the iron-ore concentrate is reduced much below that of the ore.

There is a deposit of titaniferous iron ore at Routivare, about 130 kilometers (80 miles) west of Gällivare, which is believed to be almost comparable in extent to the latter, but which is very inaccessible at present. The Swedish Government acquired it from Krupp interests in 1939. Other Lapland iron-ore fields (owned by the Swedish Government) include: Mertainen, Svappavaara, Leveäniemi, Sautusvaara, Vathanvaara, Junosuando, Kaaunisvaara, and Ekströmsberg. Information concerning these deposits hardly permits an estimate of their content, but they are assumed to contain 300,000,000 tons or ore; much of which would no doubt be difficult to extract and ship.

In 1939 the output of the mines operating in Lapland was as follows:

Mining company	Output	Iron	Phosphorus
	Metric tons	*Percent*	*Percent*
Kiirunavaara	290,865	67.96	0.017
Do	221,403	68.46	.059
Do	550,909	66.77	.182
Do	5,154,970	60.91	.186
Luossavaara	123,288	64.73	.017
Do	176,790	65.02	.061
Do	97,269	64.91	.165
Do	28,614	62.03	.604
Do	12,567	34.63	.499
Tuolluvaara	12,203	67.18	.007
Do	129,953	68.01	.014
Do	47,674	67.66	.039
Do	16,872	67.23	.162
Do	9,613	65.61	.519
Do	11,409	62.66	.119
Gällivare (Malmberget)	[1] 466,623	63.6	.324
Do	[1] 1,510,003	60.7	.888
Koskullskulle	[2] 238,797	66.1	.027
Do	75,442	61.2	.042
Do	7,498	64.1	.326
Do	6,113	62.7	.297

[1] Magnetically separated. Also produced concentrates, from 476,195 tons low-grade ore, as follows:
139,405 tons at 70.2 percent iron, 0.023 phosphorus.
38,575 tons at 71.4 percent iron, 0.007 phosphorus.
53,915 tons at 64.1 percent iron, 0.493 phosphorus.
[2] Magnetically separated, 200,869 tons.

During World War I, very considerable stocks of Lapland ores were acquired by the Allies, as "preclusive" purchases. This ore was repurchased by the Luossavaara-Kiirunavaara Co., as markets were found for the type of ore represented, and some of the original stock remained unsold as late as 1929.

The "Grängesberg Company"

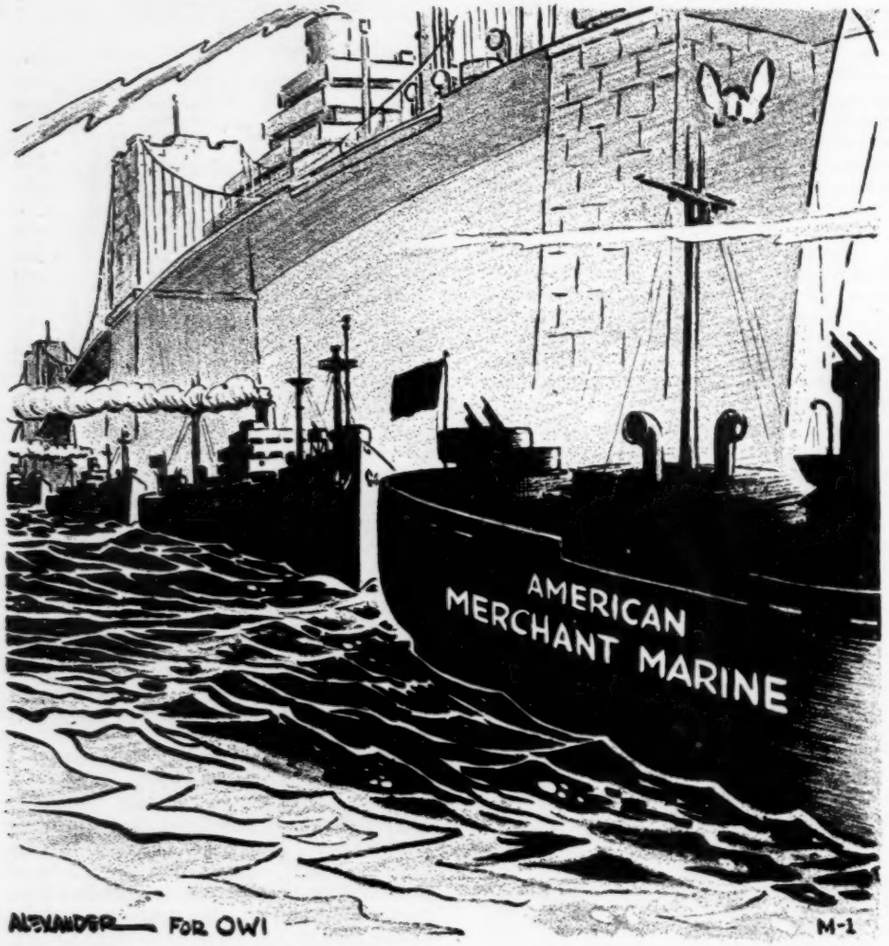
The "Trafikaktiebolaget Grängesberg-Oxelösund," commonly known as the Grängesberg Co., or as "T. G. O.," is of outstanding prominence in Swedish iron mining, both from the magnitude of its operations and from its relationship (by contract) with the Swedish Government. By far the greater part of Swedish iron-ore exports originate from the mines of the company's subsidiaries, including most of the shipments from Lapland and about one-third of those from Central Sweden.

The company was originally formed in 1896 as a railroad holding company. Its first operations were in Central Sweden, later it entered the Lapland field, and now has various enterprises more or less connected with iron mining, under its control.

The first acquisitions of the company were three railways in Central Sweden, connecting the Grängesberg mining field with the port of Köping on Lake Mälaren and the port of Oxelösund on the Baltic. These railways were the Oxelösund-Flen-Westmanlands Jernvägs AB., the Örebro-Köpings Jernvägs AB., and Järnvägen Frövi-Ludvika. In 1943 they had a length of 300.8 kilometers (187 miles), single track, standard gage and steam operated. They are essentially freight carriers, with a total (1943) of 38 tender and 46 tank locomotives, 2,441 freight cars, and 72 passenger cars. Of the freight cars, 1,599 were open cars of more than 20-ton capacity.

The company, or its subsidiaries, now owns a majority in the Grängesberg Export Field mines (high-phosphorous ores), and in 1940–41 built a new concen-

BRIDGE TO A VICTORIOUS PEACE



trator and loading plant, with access to the State Railway system as well as the company lines, at Grängesberg. It has a flotation plant, for apatite recovery, at that place. At Oxelösund, it has its well-equipped ore-port facilities. It holds a majority of shares in AB. Express Dynamit (explosives manufacturers) and several power plants and also participates in "Sila," a recently formed international air transport company, and in some foreign iron mines. It owns the immense ore port installations at Narvik, Norway.

The company's activities in the Lapland field are based on a contract with the Swedish Government, concluded in 1907, after long negotiations. Under this contract, the company acquired the common shares of AB. Luossavaara-Kiirunavaara or LKAB, then owners of the mines at the places named, and the latter acquired AB. Gällivare Malmfelt, owners of the Malmberget deposit. The Swedish Government acquired the preference shares in LKAB. The total share capitalization of LKAB was then 80,000,000 crowns; half common, half preferred.

The Government reserved the right to purchase the common shares after 1932 (extended to 1947), agreed not to exploit its iron deposits elsewhere in Lapland until this purchase is made, and agreed not to prohibit iron-ore exports.

The contract limits the quantities of ore exported by the company from the old part of the Grängesberg Export field and that shipped from Kiirunavaara, Luossavaara, and Malmberget (the Lapland ores). Quantities permitted have been revised several times. The original quantities were 18,750,000 metric tons from Gällivare and 75,000,000 tons from Kiirunavaara during the period 1908–32, while from the Grängesberg field exports were limited to 650,000 tons per annum for the period 1908–17 and 450,000 tons per annum thereafter, with a penalty of 5 crowns per ton on excess exports.

This contract has been amended several times, as in 1918, 1922, 1927, 1934, 1938, and 1940. In 1921 the company was authorized to exploit the Luossavaara mines. For the period October 1, 1937, to September 30, 1940, Lapland mine shipments were set at 33,000,000 tons for the 3-year period, 10 percent higher than the previous level, and Grängesberg field exports were set at 3,600,000 tons for the period (an increase of 600,000 tons).

The contract also establishes freight rates to be paid the State Railways for hauling Lapland ore. Under the 1934 contract the company was granted a refund for amounts, paid as freight, during 1932–36, in excess of operating costs and interest on construction costs of the railway. It is understood that the company received about 1,800,000 crowns in 1936 as such refund. The contract also provides for supply of certain grades of ore to government or government-sponsored iron works.

The Grängesberg Co. operates a very considerable fleet of ore carriers. War losses have been heavy, but have been partly replaced.

From 1910 to July 1944 the Götaverken shipyard delivered 21 ships (162,000 dead-weight tons) to the Grängesberg Co., and the company also acquired several vessels elsewhere.

At the beginning of the war the company's fleet comprised 23 vessels of 172,000 dead-weight tons, and subsequent deliveries are believed to have amounted to 8 ships of 63,100 dead-weight tons (36,728 gross register tons). These are motor ore carriers ranging from 6,000 to 9,000 dead-weight tons.

The company's war losses were 15 older ships, of 75,608 gross register tons; and 1 ship, of 5,448 gross register tons, was confiscated by the Germans. At least 1, and possibly more, of the company's ships severely damaged by war action reached port. The present fleet consists of 7 old and 8 new ships, with a total of 112,800 dead-weight tons (68,136 gross register tons).

The Narvik (Ofoten) Railway

The development of the Lapland iron-ore deposits became possible only when railway transportation of the ore from the mines to the sea was available. The use of electricity, generated in the vicinity, was also a very important factor in obtaining volume of output. The invention of dynamite was a timely aid to the enterprise.

An early plan to export ore was rejected in 1817. Small quantities of Gällivare ore were transported by reindeer to the Luleå River and conveyed down that stream by boat, for sea shipment at first, then for processing at iron works established in the vicinity of the Gulf of Bothnia, during the period 1738 to 1797. Annual ore shipments from the mines are variously estimated as from 165 tons to 500 tons at the end of the period.

Attempts were made to ship ore via Norway in 1825, and British interests later made an effort to canalize the Luleå River. The Gellivara Co., Ltd. (British), entered the field and obtained a concession to build a railway about the year 1864. It failed in 1869.

With the discovery of the Thomas process, the high phosphorous content of Lapland ores became an advantage, and, by virtue of their high iron content, their economic importance became very great. Efforts to develop them increased as a natural consequence.

The new Gellivara Co., Ltd. (also English), obtained a concession from Sweden for a subsidiary, The Swedish and Norwegian Railway Co., Ltd., to build a railway line from Luleå on the Gulf of Bothnia via Gällivare and Kiirunavaara to the Swedish border (Vassijaure) near Narvik, Norway, in 1882. A concession for construction of the remainder of the

line, on Norwegian territory, to Narvik was obtained the following year. Construction was pressed, in the face of serious obstacles, but the agreed schedule could not quite be maintained. Although the Luleå–Gällivare section was nearly complete, the firm failed in 1891.

The Swedish Government took over the railway enterprise (for 6,500,000 crowns, according to one source) on August 9, 1891. Traffic began (provisionally) on November 1 of that year on the Luleå–Gällivare (Malmberget) line of 211 kilometers (130 miles).

A 9-kilometer branch was built from Gällivare to the Austrian (Bergverks AB. Freja) mines at Koskullskulle and opened in January 1899. The line reached Kiirunavaara (or Kiruna), 100 kilometers or 62 miles from Gällivare, not long after and was opened (provisionally) to Vassijaure (Norwegian border), 130 kilometers (81 miles) from Kiruna in November 1902, at the same time that 42 kilometers (26 miles) of line in Norway, to the port at Narvik, was opened. The cost of the 144 miles of line built by the Swedish Government was 30,000,000 crowns ($7,500,000 at present exchange rates).

The branch line to Porjus (53 kilometers) was not officially opened until January 1925.

Electrification of the railway greatly increased carrying capacity and ease of operation. After the construction of the power station at Porjus, the Kiruna–Vassijaure section commenced electric operation in January 1915. On the other sections, electric operations were begun on the following dates: Kiruna–Gällivare, March 1920; Gällivare–Boden, March 1922; Boden–Luleå, June 1922, and the branches to Malmberget and Koskullskulle, early in 1923. The Norwegian part of the line was not operated electrically until July 1923.

The Porjus plant (State-owned) is built to insure uninterrupted operation despite the adverse climate, and ran continuously from 1914 to 1932 without a break. The plant furnishes power to the entire northern region for all purposes and demand is heavy. Current for railway purposes is supplied by single-phase generators, operating on 15 cycles. There were three of these units in 1933 (each with a 14,500 hp. turbine) with a unit capacity of 10,000 kv.-a. Voltage was 4,000, with transformers of 40,000 kv.-a capacity, stepping up to 80,000 volts. Railway contact line current is 16,000 v., single phase, 15 cycle.

In 1932 the Nygard plant in Norway, built to run in parallel with the railway current part of Porjus, began operating. (It was damaged during the present war, but may have been repaired.) The Kiirunavaara–Luossavaara Co. offered to build this plant, but it was constructed by Norway. It is rated at 24,000 kw. and output in 1939 was about 56,000,000 kw.-hr. It has been planned to increase it to 90,000,000 kw.-hr.

The railway at Kiruna is at an elevation of 507 meters; it descends to Abisco and ascends on a 1-percent grade to the Norwegian border. From that point to Narvik the line has 17 tunnels, several sharp curves, and some switch-backs, but this is downhill haul for practically all freight. In Sweden the alinement is good.

The railway is single track, standard gage. Cars are short 3-axle steel gondolas of 35-ton capacity, of which the Swedish State Railways has about 3,500. Trains usually comprise 40 cars. New electric locomotives (of a series of 17) have recently been delivered to the Swedish railways for use on northern lines. These are of 3,600 hp. on six axles and appear capable of increasing the carrying capacity of the Lapland ore railway.

Port of Narvik

Narvik, Norway, at 68°26′ N. latitude, with a population of about 10,000 before the war, is situated on the Ofot Fjord, an arm of the North Atlantic. The sun does not shine on the town for some 4 months in winter, because of the surrounding mountains. The special ore piers have 26 to 30 feet depth alongside, and the port is ice-free.

The ore piers (owned by LKAB) are in three parts, with extensions planned. Ore ships range from 500 tons to 10,000 tons. Operation is largely electric, two or three ships being handled simultaneously. The loading plant was severely damaged during the war, the town itself was partly destroyed. The town has not been rebuilt, but it is claimed that it has been repaired to three-quarters of its pre-war capacity. It could load 10,000 tons in 4 hours, under favorable conditions. Twenty train-loads per day (over 30,000 tons of ore) could be received, and it is claimed that 60,000 tons could be loaded in 24 hours. The railway delivered 6,045,735 metric tons of ore to the

port of Narvik in 1939, and in 1938 the total had been still greater (6,753,517 tons), but was 12 percent below 1937. Wartime shipments have been much less.

PORT OF LULEÅ (SVARTÖN)

Luleå, the eastern terminal of the Lapland railway, is on the Gulf of Bothnia at 65°40′ N. latitude, and has a population of 15,000. The ore port (owned by the Swedish Government) is on an island in the harbor (Svartön with rail connection) and has six loading piers, with a capacity of 700 metric tons per hour. Ships of 2,500 or 3,000 tons are the usual carriers from this port. During the war German tonnage has tended to replace Swedish in ore shipment from Luleå.

Ice conditions at Luleå are a great disadvantage to the port, since the average period of closure is about 6 months, and often more. From December to May (inclusive) it cannot be used, ordinarily, and export ore received has to be stored or shipped by rail to open ports farther south (principally Oxelösund) at great expense, and with inadequate rail facilities. Water distances from Luleå, in nautical miles, are: Stettin, 813; Hamburg, 993; Bremen, 1,043; and Rotterdam, 1,196.

Ore shipments received at Luleå were 3,126,068 metric tons in 1937, 2,812,975 tons in 1938, and 3,356,186 tons (plus 6,000 tons of ore for Central Swedish steel plants) in 1939.

The I. A. D. C. Now

(Continued from p. 39)

Ministers established the Inter-American Financial and Economic Advisory Committee composed of the representatives of the governments of the 21 American republics. This Advisory Committee created the Inter-American Development Commission as a permanent international body charged with promoting and aiding expansion of Latin American industries and production.

The Inter-American Development Commission began operations, and its role as a permanent organization in the development of hemisphere resources as a means of raising hemisphere living standards was confirmed and endorsed by the subsequent meetings of the American Foreign Ministers at Habana and Rio de Janeiro.

Functions of the Inter-American Development Commission were indicated by the meetings of American Foreign Ministers and by the Advisory Committee. They include the provision for technical studies and compilation of basic information relating to the economies of Latin-American nations and the establishment of contact between individuals and groups interested in development activities. The exploration and utilization of natural resources, cultivation and marketing of agricultural and forest products, and establishment of industrial plants are referred to as the Commission's field of interest.

One of the first acts of the Inter-American Development Commission was to organize affiliated national Commissions in each of the 21 American republics in order to provide close contact with business and financial interests throughout the hemisphere. The national Commissions keep in close touch with each other and with the parent Commission in Washington. They consult on problems of mutual interest, and exchange technical data, reports, and other pertinent information. Many of the national Commissions have prepared helpful reports on the natural resources and the economic problems of their countries. All national Commissions maintain close working contacts with governmental agencies and private groups.

Salutary Aims

The activities and objectives of the Commissions of Inter-American Development demonstrate what can be accomplished through international cooperation on the good-neighbor principle of mutual aid for mutual benefit. However, it is recognized that many serious difficulties will be confronted in the important work of the future. But when the pattern being established by these cooperative activities is considered with other trends and lessons learned through experience, the future course of trade and industry in this hemisphere is more clearly defined.

Based upon the well-laid foundation of many years of the expanding inter-American program, the trend has been toward closer relations and greater trade among the Americas. This trend reached new heights during the war when the Americas, facing a common enemy, dedicated their energies and resources to a history-making cooperative endeavor.

Through cooperation during the war, there has been the greatest mobilization of resources ever made in this hemisphere. And throughout the Americas there has been a growing realization that, with their unlimited resources, there can be developed and built a better standard of living. The Americas recognize that they can mobilize for peace as for war. The degree of achievement will depend upon the vision, the will, and the determination of the peoples of the entire Western Hemisphere.

The idea that economic interests of the United States conflict with the industrial development of the other American republics has long been discarded by leading businessmen. Experience has shown that it is a fallacy to contend that the foreign trade of the United States is dependent upon the industrial retardation of other countries. On the contrary, it has been demonstrated that the best customers of the United States are not countries producing raw materials only, but countries which also are highly industrialized.

Opportunities Unlimited

As the Latin American countries develop their natural resources and industries along the lines of greatest profit for themselves, the standards of living of their people will be raised proportionately. And with this higher standard of living will come an increase in the purchasing power which will provide the Americas with expanding markets for the benefit of all.

The possibilities through inter-American cooperation were aptly summarized by Nelson A. Rockefeller, chairman of the Inter-American Development Commission, when he declared:

"The opportunities for the future are limitless. The development of hemisphere resources and industry, the improvement of transportation, will provide fuller employment, a rising standard of living, increased buying power, expanding markets, greater trade, more travel, new opportunities for increasing millions of people. Surely there are problems ahead—grave problems—but most important, there are *great opportunities.*"

Presenting

THE SIXTY-FIFTH ANNUAL EDITION

of the

STATISTICAL ABSTRACT OF THE UNITED STATES, 1943

1,002 Pages
BOUND IN BUCKRAM
now available
at only
$1.75 per copy

The Official Compendium of the Federal Government

A compact volume of 1,009 tables of statistical data on the industrial, social, and economic organization of the Nation. Summarizes statistical information published by various governmental agencies and certain nongovernmental organizations. Serves as a guide to various sources of statistical data

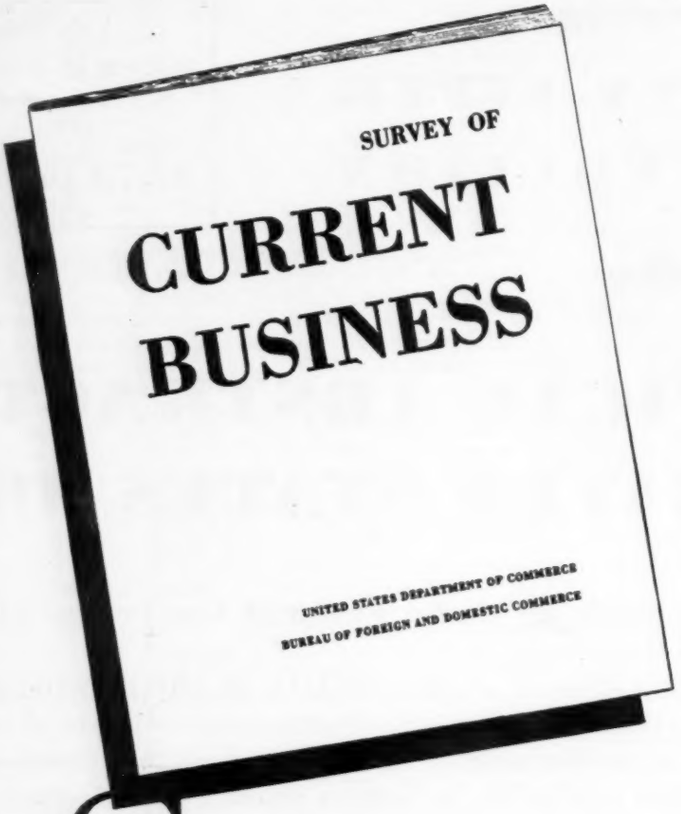
Subjects Covered Include:

Population
Vital Statistics
Crime
Immigration
Education
Labor Force
Social Security
Military Services
Civil Service
Prices
Agriculture
Forestry
Fisheries
Minerals
Manufactures
Wholesale Trade
Retail Trade
Foreign Trade
Transportation
Communications
Power
Finances
Insurance
Public Utilities
Construction
Housing
Climate
Area
And Many Others

Copies may be purchased from the
Superintendent of Documents, Government Printing Office, Washington 25, D. C.,
or from the U. S. Department of Commerce Field Offices

U. S. DEPARTMENT OF COMMERCE
BUREAU OF THE CENSUS

JESSE H. JONES, *Secretary*
J. C. CAPT, *Director*



$2.00
per year

SURVEY OF CURRENT BUSINESS

THIS AUTHORITATIVE MONTHLY PERIODICAL makes easily available to businessmen over 2,200 comprehensive facts about production, stocks, orders, prices, sales, shipments, etc., of the industries of the United States by means of text, tables, charts, and index numbers.

A sample copy will be sent, on request to the
Bureau of Foreign and Domestic Commerce,
Washington, D. C.

$2.00 per year, from the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

U. S. GOVERNMENT PRINTING OFFICE: 1945